

FBIS

DAILY REPORT

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CONTADORA MEETING OPENS IN PANAMA CITY

Officials on Issues

PA141312 Panama City ACAN in Spanish 1218 GMT 14 May 85

[Text] Panama City, 13 May (ACAN-EFE) -- Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco said today upon his arrival in this capital, where he will attend the Contadora meeting tomorrow, that his government expects that one of the key issues of the regional peace project will be settled in this meeting. "We must make progress on more substantial matters; we hope to conclude the verification and control mechanisms (of the Contadora peace document) in order to go on to more substantial matters," Tinoco said. However, Panamanian [as received] Deputy Foreign Minister Ricardo Acevedo Peralta, who was also at the airport, said that verification and control mechanisms of the Contadora Document will "not necessarily" be completed at this meeting.

Tinoco and Acevedo Peralta arrived in Panama City at 2345 local time to take part in the 3-day meeting of the Central American deputy foreign ministers with their counterparts in the Contadora Group, which is composed of Mexico, Colombia, Venezuela, and Panama. According to Panamanian diplomatic sources, the top priority of this meeting is to "polish" the mechanisms to verify and control the correct implementation of the agreements contained in the Contadora Document for Peace and Cooperation in Central America. Although the principles of the draft peace treaty have been virtually accepted by all parties, the terms of the statutes on the verification and control mechanisms have become a major obstacle in the negotiations to achieve the definitive acceptance of the document.

In his statements at Omar Torrijos Airport, Tinoco said that the talks are taking place amid incidents that in the past several days have affected regional relations. He mentioned the U.S. embargo against Nicaragua, "which has generated tensions," and the incidents that have occurred on the Honduran-Nicaraguan border, "which forebode possible clashes" between the two countries' military forces. "These negative developments affect the efforts of the Contadora Group and make its work increasingly difficult," Tinoco pointed out.

Salvadoran Deputy Foreign Minister Ricardo Acevedo Peralta, who was also in the airport's diplomatic room, said that the success or failure of tomorrow's meeting depends on the "spirit" the Central American nations display, adding that "El Salvador's spirit is positive." However, he disagreed with his Nicaraguan colleague on the completion of the verification and control mechanisms of the peace document. "We do not intend to rush the negotiations. We do not believe that this is possible," the Salvadoran official indicated. The meeting will begin at 1000 on Tuesday.

Tinoco Proposes Border Visit

PA150400 Managua Domestic Service in Spanish 0300 GMT 15 May 85

[Text] Panama -- Nicaragua's Deputy Foreign Minister Victor Hugo Tinoco asked the Contadora Group this afternoon to appoint a delegation to visit the Honduras-Nicaraguan border. After hearing Nicaragua's request the Contadora Group began consultations with the Honduran Government. Tinoco said that the Contadora Group's delegation would have to visit both sides of the border. Moreover, Nicaragua also asked the Contadora Group to consider a proposal sent to the Honduran Government about disarming and relocating the counterrevolutionary groups who have turned Honduras into their center of operation, with the support of the Reagan government. The relocation of the counterrevolutionary groups would be accomplished with assistance from the International Red Cross as well as the UN Office of the High Commissioner for Refugees.

Panamanian Minister Opens Meeting

PA150347 Panama City Televisora Nacional in Spanish 0000 GMT 15 May 85

[Text] Foreign Minister Jorge Abadia Arias this morning opened the Contadora Group meeting that begins, he said, at a time when international peace and safety are seriously threatened and all of humanity is watching us expectantly. Abadia Arias, the new foreign minister appointed in the government reshuffle at the beginning of this month, opened three sessions with the participation of deputy foreign ministers and other ranking officials from the Central American foreign ministries and the Contadora Group, formed by Colombia, Venezuela, Mexico, and Panama.

The occasion is important most of all because it demonstrates our real concern for the dramatic problems and dangers afflicting the countries in the region, the foreign minister said. He stressed the commitment to contribute to the prompt, just, and lasting political solution of these conflicts and their causes, securing a peaceful and fully Latin American solution. This 3-day meeting, according to the Panamanian foreign minister, will allow us to advance toward the final preparation of the Contadora Document for Peace and Cooperation in Central America, which is the best proof that the peace demanded by our peoples is possible.

Embargo Not To Be Discussed

PA151308 Panama City Domestic Service in Spanish 1201 GMT 15 May 85

[Excerpt] Panamanian Foreign Minister Jorge Abadia has said that the deputy foreign ministers of the Contadora Group and the five plenipotentiaries of Central America must analyze and finetune the documents already delivered to them in order to reach an overall agreement. Abadia opened the 3-day meeting of the Contadora Group, and in a message to the Contadora Group members and the Central American plenipotentiaries, stressed that peace is possible in Central America. He also issued an appeal to those attending the meeting to take the historical responsibility of representing their peoples in the current political situation because we are experiencing one of the most dangerous times in Central America. He also said that peace and international security are seriously threatened and that mankind is watching with expectation what Central America will do in its independent and solidaristic approach to achieve peace.

The following deputy foreign ministers of the Contadora Group are meeting in Panama: Ricardo Valero of Mexico, German Navas of Venezuela, Fernando de Soto of Colombia, and Jose Cabrera of Panama. The Central American governments are represented by Alfonso Alonso Lima, adviser of the Guatemalan Foreign Ministry; Salvadoran Deputy Foreign Minister Ricardo Acevedo; Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco; Jose Hernandez Alcerro, adviser of the Honduran Foreign Secretariat; and Costa Rican Deputy Foreign Minister Jorge Urbina.

The four Contadora Group deputy foreign ministers and the five Central American plenipotentiaries must now appoint members to the verification and control commissions on political, security, and socioeconomic matters. In addition, it was reported that the Salvadoran document, signed by the Governments of Honduras, El Salvador, Costa Rica, and Guatemala, will not be discussed by the Contadora Group because this is not the proper forum to discuss it. Moreover, the economic and trade embargo against Nicaragua will not be discussed because it is up to other organizations to approach this subject, sources near the Contadora Group disclosed.

No Disarmament Accord Reached

PA160353 Panama City ACAN in Spanish 0256 GMT 16 May 85

[Text] Panama City, 15 May (ACAN-EFE) -- According to diplomatic sources, after a "very thorough" discussion, the Central American countries did not reach an agreement today regarding the process of regional disarmament; however, they did agree on the need to eradicate the "irregular forces" from the area.

The Central American deputy foreign ministers and high-ranking foreign ministry officials concluded here today the second round of Contadora meetings to discuss important matters of security in the draft of the treaty for regional peace.

When the meeting ended, Jose Ramon Hernandez Alcerro, head of the Honduran delegation, said that there is still no regional consensus regarding the stages required to achieve the disarmament of Central America. According to the Honduran diplomat, no agreements have been reached regarding the "concept of military balance" in each Central American country or regarding the need to develop steps to achieve "national reconciliation" among the dissident forces of each nation.

According to Hernandez Alcerro, during the meeting agreements were reached regarding the need to get the "irregular forces out of Central America" and matters related to the mechanisms to prevent the trafficking of weapons.

Likewise, the delegates at the Contadora meeting approved, in today's session, a system of direct communications, a sort of a "hotline" that will allow immediate conversations regarding future differences among the nations of the region. This second meeting also served to approve several final dispositions regarding the procedures for the implementation of the Contadora Document for Peace and Cooperation in Central America.

Victor Hugo Tinoco, Nicaraguan deputy foreign minister, announced that the government of Managua will soon present a formal proposal to resume, before 15 June, the bilateral talks with the United States that until January were being held at the Mexican port of Manzanillo. Tinoco also said that the U.S. military maneuvers in the region are a "key issue" in the Nicaraguan position since these represent a "threat" to the survival of the Sandinist regime.

The talks will continue tomorrow, the last day of this 3-day session.

ANDEAN GROUP TO LAUNCH COMMUNICATIONS SATELLITE

PY111825 La Paz PRESENCIA in Spanish 30 Apr 85 p 5

[Excerpt] Santa Cruz, 29 Apr (PRESENCIA) -- Erland Barba, regional administrator of the National Telecommunications Enterprise (ENTEL) in Santa Cruz, has disclosed here that the subregional Andean Pact plans to launch its own communications satellite, "Condor," next year. The satellite will improve communications among Venezuela, Colombia, Ecuador, Peru, and Bolivia.

In a statement to the SANTA CRUZ NEWS AGENCY (ACN), Barba said that during the last meeting of telecommunications enterprises of the subregion, it was agreed that the "Condor" project, which is being promoted by the Andean Group, would be granted priority treatment. Right now studies regarding the launching of the "Condor" communications satellite are being carried out.

FINLAND'S VAYRYNEN ON FALKLANDS, COOPERATION

PY142115 Buenos Aires TELAM in Spanish 1622 GMT 14 May 85

[Text] Buenos Aires, 14 May (TELAM) -- During a press conference, Finnish Foreign Minister Paavo Vayrynen stated that his country endorses the negotiations of the Contadora Group as the most suitable way to find a peaceful solution to the Central American issue. He also called the embargo imposed by the United States against Nicaragua negative. Vayrynen also explained why his country has abstained at the UNCA from taking any stand on the British-Argentine conflict over the Malvinas. It is felt that the two sides disagree on the very substance of the UN resolution.

Vayrynen stated that he was very satisfied with his visit to Argentina, primarily because of the possibilities opened for Finnish technological cooperation in the development of the vast natural resources of our country.

VICE PRESIDENT COMMENTS ON 'RIGHT-WING TERRORISM'

PY100250 Buenos Aires BUENOS AIRES HERALD in English 9 May 85 p 1

[Excerpt] (NA-DYN) -- Vice President Victor Martinez yesterday blamed the recent attacks against a radio station and various political parties' centres on "ex-military or military formerly part of the executive branch," while reliable sources claimed the Interior Ministry has tentatively identified three of the pre-dawn bomb attackers of Radio Belgrano.

Martinez is the first top-level government official to admit the possibility that active armed or security force personnel may have been involved in the terrorist attacks. Speaking on Channel 11 television following a meeting with President Raul Alfonsin, Martinez said he agreed with Interior Minister Antonio Troccoli who earlier denounced a "far right-wing campaign" to destabilize government. The vice-president said the attacks have taken place in different parts of the country in circumstances which show certain similarities," thus allowing them to be identified as the work of the far right. Asked if the assailants might be the same people who carried out the "dirty work" during the military regime, he said: "If by dirty work you mean antidemocratic activities, yes."

Troccoli said on television on Tuesday night "a far right terrorist campaign is under way," but stressed that the country's security forces are sufficiently trained and prepared to handle any outbreak. At the same time the minister discarded any likelihood of a far left subversive outbreak, considering it to be "unprepared and under close surveillance."

Interior Under Secretary Raul Galvan went even further in linking recent terrorist bombings to the "far right," pointing out that "we have detected their origin from their modus operandi and behavior, but I don't want to jump the gun by also mentioning the names of the protagonists, though we are making progress there."

TROCCOLI ON POLICE ROLE, RADIO BELGRANO ATTACK

PY111708 Buenos Aires BUENOS AIRES HERALD in English 11 May 85 p 9

[Text] (NA-DYN) -- Interior Minister Antonio Troccoli yesterday described the Federal Police as the backbone of the democratic system and said it was providing a high security level for Argentine society in general and the people of Buenos Aires in particular.

Troccoli was representing President Raul Alfonsin -- who was down with a slight touch of flu -- at the opening of a police noncommissioned officers' club together with Federal Police Chief Antonio di Vietri and city Mayor Julio Cesar Saguier. He said the government was grateful for the honesty, the efforts, and the contribution of the police personnel, "whose officers are carrying out a very singular task in the reconstruction of the republican system." He later told newsmen he believed the attack on the transmitting tower of Radio Belgrano and the kidnapping of industrialist Enrique Percarmona were ideologically linked, although he could not state it as a fact because the police investigation had not yet ended. He said a press report that three of the attackers of the radio station had fled the country was the work of what he described as a confusion campaign, adding the police investigation into these and other acts of violence in recent weeks could produce results within the next few days.

OFFICIAL DISCUSSES NEGOTIATIONS WITH IMF

PY111711 Buenos Aires BUENOS AIRES HERALD in English 11 May 85 p 3

[Text] (NA-DYN) -- Argentina has reached a preliminary agreement with the International Monetary Fund (IMF) to pave the way for a stand-by loan, which in turn will lead to a 4.2-billion-dollar loan from creditor banks, Economic Policy Under Secretary Luis Machinea said here yesterday. Machinea, who returned from Washington where he took part in the talks with the IMF on Argentina's foreign debt, said "we are in the final stages of the renegotiation with the IMF and I expect there will be some news next week."

The talks were also attended by National Development Bank (Banade) Chairman Mario Brodersohn, who is Argentina's chief negotiator, and Budget Under Secretary Ruben Carcioffi, both of whom had previously returned to Buenos Aires.

Asked if there had been an improvement in Argentina's position within the renegotiation framework, Machinea said, "It's hard to say, although we have obtained certain flexibilization elements, basically in the nominal targets, including public spending and the fiscal deficit." He said it was still not decided whether an IMF mission would come to Buenos Aires or an Economy Ministry official go to Washington for the final stage of the negotiations.

"The foreign debt is a political problem and it's true that in the long run neither Argentina nor the other Latin American countries will be able to pay the interest on the debt because it would imply a transfer of resources abroad," Machinea said. "In the case of Argentina, it is equivalent to about seven percent of the domestic gross product and this is an unendurable situation in the long term," he added.

Economy Minister Juan Sourrouville told the Lower House on Thursday night Argentine would not accept just any conditions for the renegotiation of the foreign debt. "If we cannot reach an agreement on the basis of our objectives, we'll look for another means of negotiation," he said. Sourrouville said of the 5.5 billion dollars of interest accrued on the debt during 1984, Argentina had paid 4.4 billion, while of the 1.43 billion accrued during the first quarter of this year, only 50 million dollars had been paid.

CORDOBA GOVERNMENT TO SELL PUCARA PLANES TO IRAQ

PY131800 Buenos Aires Domestic Service in Spanish 1600 GMT 13 May 85

[Report from unidentified affiliate radio station in Cordoba]

[Text] The Cordoba government will sell Pucara airplanes to the Iraqi Government.

This information was supplied to a Cordoba morning daily by Jorge Caminoti, the secretary and foreign trade minister of Cordoba Province, stating that the paperwork at the national and the provincial offices is being expedited so as to export the 20 Pucara airplanes purchased by the Iraqi Government as soon as possible. The report adds that the deal closed with the Iraqi Defense Ministry for slightly more than \$100 million includes the supply of repair parts and the training of mechanics and flight personnel, including partial payments of 15 percent against the delivery of each unit and a 5-year financing in 6-month installments.

CNEA REDISTRIBUTES ATUCHA, ARROYITO FUNDS

PY110135 Buenos Aires BUENOS AIRES HERALD in English 10 May 85 p 9

[Text] (NA) -- Between 80 and 100 million dollars of the 4.2 billion (thousand million) earmarked for completing construction on Atucha II and the Arroyito heavy water plant will be redistributed to other areas within the National Atomic Energy Commission (CNEA), according to express instructions from President Raul Alfonsin, who also said he was keeping on Alberto Constantini as president of CNEA. Constantini, who made the announcement, said finishing work on those two projects would thus be pushed back about six more months, but the cutback would "not affect other projects, such as the uranium enrichment plant in Pilcaniyeu, R & D (research and development) and other programmes."

The 70-year old CNEA president said the president would hear nothing of the resignation he had offered in light of the reshuffling going on in state firms and promised "the flow of funds to CNEA will not suffer the interruptions which have upped costs ten-fold and paralyzed work projects."

Alfonsin will "ratify his support for the CNEA and the current nuclear programme" in a national message on May 31 in Bariloche, commemorating Atomic Energy Day and the 35th anniversary of CNEA.

CNEA TRADE UNIONS SUBMIT SHORT-TERM PROPOSALS

PY150125 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2040 GMT 14 May 85

[Text] Buenos Aires, 14 May (NA) -- It was officially announced today that the five trade union organizations that group the professionals, technicians, and employees of the National Commission for Atomic Energy [CNEA] have proposed to the CNEA a short-run "realistic" program to cope with the crisis in the nuclear sector. The trade union organizations have stated that the proposal is perfectly compatible with the austerity program announced by the government since its goal is to cut expenses and make the best use of the available technological capabilities.

After stating that now, 35 years after its establishment, the CNEA is going through "one of the most difficult periods in its history," the CNEA trade union organizations urge that "the efforts made over so many years to ensure the recently achieved technological independence and integrated development not be jeopardized." The short-term program proposal is signed by the Association of CNEA professionals, the Association of CNEA technicians, the Association of State Workers, the Trade Union of Atomic Energy Workers, and the Trade Union of Civilian Public Servants.

The proposal emphasizes that in the allocations of the CNEA budget "the research, development, and exploration activities, the true driving forces of Argentine technological independence, must be adequately covered." It also emphasizes that the productive activities of the CNEA (the Atucha I and Embalse power stations, the production of radioisotopes, assistance to industry, the uranium dioxide factory, etc.) must receive the necessary cash flow so as not to jeopardize their activities."

The trade union organizations of professionals, technicians, and employees ask that "the installed nuclear power be correctly used as a basic energy, something which will lead to a real savings of funds and fossil fuels." Another proposal submitted to the CNEA leadership is that "the Energy Secretariat determine the real date on which it will be necessary for the Atucha II nuclear power plant to start operating and that the contracts be renegotiated accordingly." They are also asking that "certain development projects (enrichment and reprocessing) be reassessed, placing emphasis on technological improvement and adequate planning," and that "the technical and economic alternatives to put into operation the heavy water industrial plant, including the possibility of producing ammonia, be seriously looked into." The trade union organizations ask that the changes "be the result of the participation of the workers in this democratic regime through the organizational channels established by mutual agreement with the CNEA authorities." In conclusion, the trade union organizations ask that the legal instruments that define, control and guide the nuclear activities in the country, with "active participation of the sectors involved," be enacted by the Congress.

ACCORD REACHED ON REORGANIZING PERONIST UNIONS

PY081454 Buenos Aires BUENOS AIRES HERALD in English 7 May 85 p 11

[Text] (NA-DYN) -- After over a year of bitter confrontation, the Committee of 25 and the 62 Organizations led by Lorenzo Miguel yesterday reached tentative agreement on the need for labour to peacefully "reorganize" the political arm of the Peronist unions. Meanwhile, the unified CGT [General Confederation of Labor] issued a statement accusing the government of trying to divide labour by dealing with individual unions instead of the confederation in preparing for next month's International Labour Organization (ILO) conference. The CGT added that the government's policy reflects "a new show of hostility" towards labour. Committee of 25 members met with Miguel yesterday at Railway Union (UF) headquarters. National Deputy Roberto Garcia, a top 25 figure, afterwards said, "We're part of the 62 and we're going to take part in the talks aimed at reaching an agreement." Up until yesterday the 25 had refused to negotiate with Miguel, who has already gotten three other internal CGT factions (Negotiation and Labour Committee, Independents, Non-aligned) and the Committee of 20 to sit down at the bargaining table. Besides Garcia (taxi drivers), other 25 members who met with Miguel included Ricardo Zarate (UF), Roberto Digon (tobacco employees), and CGT Secretary-general Osvaldo Borda (rubber workers). Zarate was also said to have played a key role in bringing together both sides. The CGT yesterday criticized the government's decision to ask unions individually to propose delegates to the ILO conference instead of requesting that the confederation directly name Argentina's labour representatives. After a directive council meeting, the CGT said it would criticize the government before the ILO -- even if it has to attend without official backing -- for maintaining union laws enacted by military regimes. The CGT also thanked the Church for its "constructive spirit and high level of social sensitivity."

On a separate matter, CGT members accepted the arguments of Secretary-General Ramon Baldassini, questioned for having forgotten to recall that unionists disappeared during the dirty war when he testified in the trial of the nine former military junta chiefs. Baldassini convinced the CGT that he was not asked in court about missing unionists but about those detained or killed, men and women whom he purportedly had no knowledge of. In its statement, the CGT also confirmed its "plan of action" which includes demonstrations over the next two weeks -- on Thursday in Tucuman and on Friday in Cordoba -- and a general strike on May 23.

On the strike front, Buenos Aires Province teachers announced a whole-day walkout on Wednesday, May 15, to protest teaching conditions in rural areas. And university employees nationwide yesterday readied for a 48-hour strike starting today while Santa Fe Province employees stopped work to demand that recent pay hikes be extended to all public sector staff.

SOCIALIST PARTY-ONE NOMINATES CANDIDATE

PY151926 La Paz Radio Illimani Network in Spanish 1700 GMT 15 May 85

[Excerpts] In its latest issue, the LATIN AMERICAN AGENCY FOR SPECIAL NEWS SERVICES [ALASEI] makes an appraisal of the organic transformation of the Socialist Party, founded by the late Marcelo Quiroga Santa Cruz. According to the agency, the recent nomination of Ramiro Velasco as the presidential candidate of the Socialist Party-One [PS-1] is a sign of the recovery of the Bolivian left. The agency says that Velasco's party hopes to become the third political force in the country and intends to clearly differentiate itself from the Communist Party and the Movement of the Revolutionary Left, as well as from the Revolutionary Party of the Nationalist Left, headed by Juan Lechin Oquendo.

Unlike Quiroga Santa Cruz, the PS-1 candidate has no great gifts as a speaker, and he lacks charisma [words indistinct] his followers. In compensation, he has a keen knowledge of the problems of the country and has the support of a party that is better organized than in 1980.

Despite the efforts made by various parties to form a broad leftist front, the PS-1 has decided to participate in the elections with its own candidate. Because of this decision it is being harshly criticized by other parties; the Communist Party and others, that believe electoral unity is the only possibility of making the certain victory of the right less overwhelming. Even so, the PS-1 has become an important rallying point for the left, and it has won its first battle by showing that the elections do not belong exclusively to the rightists.

PEASANT GROUP NOMINATES PRESIDENTIAL CANDIDATE

PY131520 Madrid EFE in Spanish 0804 GMT 13 May 85

[By Amanda Davila]

[Excerpt] La Paz, 13 May (EFE) -- Bolivian peasants do not want alliances with the Communists, or with the Nationalist Revolutionaries headed by Siles Zuazo. They want to participate in the elections to be held in July with their own candidates.

This conviction became a reality through the proclamation of peasant leader Genaro Flores as presidential candidate for the Tupak Katari Revolutionary Liberation Movement (MRTK-L), one of the most important Indian political groups that has emerged in the last few years.

The MRTK-L, which is headed by Genaro Flores, executive secretary of the Single National Confederation of Unions of Bolivian Peasant Workers (Csutcb), groups thousands of peasant workers, middle class intellectuals, workers, and miners. Walter Reynaga, Csutcb public relations secretary, has told EFE that several political forces have sought to ally themselves with the MRTK-L.

The Bolivian Communist Party (PCB) has thought of offering the vice presidency of a political coalition to Genaro Flores, while the Nationalist Revolutionary Movement of the Left (MNRI), headed by President Hernan Siles Zuazo, has also sought him for the same purpose.

However, Reynaga has noted that the peasants cannot support opportunistic or manipulative attitudes that only seek the success of their own initiatives. According to Reynaga, Flores' proclamation as MRTK-L presidential candidate, which took place on 10 May in Maca Maca (Loayza Province in La Paz Department) with the attendance of over 4,000 peasants, clearly shows the MRTK-L opposition to these opportunistic attitudes. Reynaga adds that the peasants have developed their own platform, but that does not discard the possible participation of labor and progressive sectors.

PUBLIC EMPLOYEES CONTINUE HUNGER STRIKE

PY151617 La Paz Cadena Panamericana in Spanish 1130 GMT 15 May 85

[Excerpt] Public employees are continuing their hunger strike. Walter (Modrodejo), secretary of the Federation of State Employees, has pointed out the the hunger strike is continuing because the Democratic and Popular Unity government has not solved the problem of reclassification.

He said that the government reclassification proposal does not satisfy the demands of public employees. He added that some strikers have abandoned their position, but that the movement is being strengthened by new strikers.

WORKERS PARTY URGES FORMING LEFTIST FRONT

PY091911 La Paz Cadena Panamericana in Spanish 1700 GMT 9 May 85

[Text] The Revolutionary Workers Party [POR] has repeated its call to all those parties and labor and popular organizations that proclaim to defend the interests of the nation against imperialist oppression to build a powerful political front of the various leftist movements that are at the service of revolution.

This statement was made by POR Secretary General Guillermo Lora, who said that the call is being made in the framework of the strategy of the working class. This type of united front is made possible through the strong politicization of the masses and the enormous progress achieved in the development of the awareness of the wage earners, and is in accordance with the lessons of the last general strike, he said.

[Begin Lora recording] This means that it should be a front that will make it possible to realize the strategy of the working class, in case we have to participate in the elections. In the extreme case that the masses were to take to the streets to impose their demands, we would have to boycott the elections. However, if the masses are to continue their stage of rearming, we will participate in the elections. We wish to submit to the oppressed nation and its majority sectors a radical revolutionary program that seeks the transformation of society itself and the destruction of capitalism and formal democracy.

We also ask the National Electoral Court to warn the political parties to publicly reveal the sources of the money they are squandering in their costly campaigns. We are a party of the workers and the poor, and if we were to participate in the elections, we would have to call on the citizens to help us with the costs of propaganda.
[end recording]

The call to form a broad leftist front is addressed to all leftist parties without exception, he stated. It is our intention to present a platform that is in accordance with the aspirations of the Bolivian labor movement.

[Begin Lora recording] We know that it will not be easy to form this front. It will require great pressure from the grassroots of the political parties. [end recording] That was a comment by POR Secretary General Guillermo Lora.

ENERGY, HYDROCARBONS MINISTER INSTALLED

PY150155 La Paz Cadena Panamericana in Spanish 0000 GMT 15 May 85

[Excerpt] Ademar Velardo Ortiz, who is replacing Ronald Zabaleta Mercado, has been installed as the new energy and hydrocarbons minister. Velardo Ortiz was installed by President Hernan Siles Zuazo today at the Government Palace. In attendance were ministers and civilian and military authorities.

OVER 1,000 KG OF COCAINE BURNED IN COCHABAMBA

PY151616 La Paz Cadena Panamericana in Spanish 1130 GMT 15 May 85

[Excerpts] Over 1,000 kg of semisolid cocaine confiscated in "Operation Tauro" in Cochabamba have been burned near Adelaida Lake in the presence of officials headed by Interior Minister Gustavo Sanchez.

Radio Panamericana was invited to observe the burning of the drugs. In an exclusive interview with Radio Panamericana, Interior Minister Sanchez said that through this action the government is demonstrating to the public that it is carrying out a relentless struggle against drug trafficking.

[Begin recording] First of all, the government is demonstrating that it has never lied, because some politicians said that there was no such amount of cocaine in the hands of the government. One of those politicians was former President Hugo Banzer, who in a declaration to a La Paz daily said that the government had in its possession only about 100 kg of cocaine. However, this morning the press was able to see that it was not just a case of 100 kg but of over 1,000 kg, which shows that the government never lied. [end recording]

The minister went on to say that he will continue the struggle against drug trafficking. He emphasized the sacrifices the Bolivian police have made in the fight against this illegal activity.

[Begin recording] The Bolivian police will be more successful against drug trafficking if they can get better resources to fight it. A journalist friend of mine told me this morning that the value of the drug burned represents a large sum of money that could help pay a good portion of our foreign debt. He is right, but we have international commitments, commitments that the country has fulfilled with dignity. The president is demonstrating that he is fulfilling those commitments. [end recording]

Interior Minister Gustavo Sanchez reiterated that the government is fulfilling its international commitments by relentlessly fighting drug trafficking, and that this has been demonstrated by the burning of over 1,000 kg of cocaine confiscated in Operation Tauro from an airplane that was going to take the drug from Cochabamba to Beni.

CONGRESS RATIFIES DIRECT ELECTIONS FOR 1988

PY151751 Madrid EFE in Spanish 1559 GMT 15 May 85

[Text] Brasilia, 15 May (EFE) -- The Brazilian Congress today held a brief plenary session during which the two chambers ratified the law by which direct presidential elections will be held at the end of 1988. It has been almost a quarter of a century since Brazilians last elected their president.

Jose Fragelli, chairman of the plenary session and president of the Senate, announced the reinstatement of general and secret suffrage and emphasized that if there are no winners by an absolute majority, a runoff will be held.

Direct elections were also reestablished for mayors of state capitals, mining and oil counties, and areas formerly considered relevant to national security. These elections will be held on 15 November. The plenary session was very brief and only the resolutions approved last week were read.

GOVERNMENT REPORTEDLY DIVIDED OVER STRIKES

PY141907 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 14 May 85

[Report from Brasilia by Carlos Rodrigues]

[Text] The strike problem has divided the government. Labor Minister Almir Pazzianotto will meet at 1700 this afternoon with all the leaders of the Brazilian Democratic Mobilization Party [PMDB], party President Ulysses Guimaraes, Senate bloc leader Humberto Lucena, Chamber of Deputies bloc leader Pimenta de Veiga, and government leader in Congress Senator Fernando Henrique Cardoso.

The objective of this meeting, according to members of the minister's team, is the desire of the PMDB leaders to convey their support to Pazzianotto in the face of what the minister described yesterday as pressure from Industries and Commerce Minister Roberto Gusmao and Communications Minister Antonio Carlos Magalhaes aimed at convincing the government to harden its attitude toward the strikes to the extent of declaring them illegal.

The labor minister does not agree with the implementation, under the new Republic, of measures that were used excessively during the previous regime. Thus, this has become a very sensitive problem for the government because its members are divided over the manner in which it should be handled.

Minister Threatens Resignation

PY151632 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 15 May 85

[Excerpt] Roberto Gusmao versus Almir Pazzianotto, the former attacking and interfering with the latter merely defending himself and threatening to resign; this is the way we could sum up the disagreements that have led to the first cabinet crisis of the new Republic.

The sore point is the strikes that Industries and Commerce Minister Roberto Gusmao at one point described as "widespread strikism."

The crisis reached its peak yesterday, forcing President Sarney to step in. However, it started some time ago and has been getting worse with Minister Gusmao urging Labor Minister Almir Pazzianotto to adopt a severe attitude toward the workers.

On 8 May, Gusmao used harsh language while asking Pazzianotto questions and voicing his own suggestions. He went so far as to say: Are you a minister or a candidate for some office? Make up your mind once and for all. To this Pazzianotto calmly answered that negotiations are still the best course of action. From that point on the argument worsened.

Gusmao, who is closely linked to industrialists and businessmen, has continued calling for severe measures, while Pazzianotto, more concerned with the workers' well-being, has insisted that mediation is best. It would seem that the crisis was overcome yesterday when President Sarney issued an official notice that neither encouraged nor supported either minister. We can conclude that disagreements may continue.

Because of the continuing strikes, another minister has ended up joining the dispute. Communications Minister Antonio Carlos Magalhaes has asked his labor colleague to declare the postmen's strike illegal. Pazzianotto refused, saying that there is no need to do so because according to a law currently in effect, the strike is already illegal since mail is an essential service. Carlos Rodrigues, our correspondent in Brasilia, now reports on the crisis and the strikes:

[Begin Carlos Rodrigues report] The government has evaluated the strikes and concluded that they are being dealt with according to standard guidelines and that it will continue guaranteeing the workers' right to strike in order to protect their interests, but warned that it will not allow these actions to exceed the limits set by the law. The government stated that it will guarantee the right to work, protect private property, and maintain public order and social peace.

The government's position was stated in an official note released at Government House after a meeting of the ministers of labor, justice, industry, and commerce, the National Intelligence Service chief, and the chief of the civilian household. [end report]

OFFICIALS IN NEVES' PRIVATE SECRETARIAT RESIGN

PY151609 Paris AFP in Spanish 0437 GMT 15 May 85

[Text] Brasilia, 14 May (AFP) -- The Brazilian OFFICIAL GAZETTE today reported here that the members of President-elect Tancredo Neves' private secretariat have resigned from their posts on their own initiative.

Neves' private secretariat was composed of his son, Tancredo Augusto, as special adviser; Antonia Goncalves de Araujo as private secretary; the president's grandson, Aecio Cunha Neves, as private secretary; and Mauro Salles, who organized the president's campaign, as special secretary.

President Jose Sarney has named Aecio Cunha Neves as a board member of the Federal Economic Fund, a state organization managing most Brazilian savings.

IDEA OF U.S. 'INTERVENTION' PROMPTS CONTROVERSY

PY150400 Paris AFP in Spanish 0030 GMT 15 May 85

[Text] Santiago, 14 May (AFP) -- The idea of an eventual intervention by the United States to restore democracy in Chile today set off a controversy between the government of General Augusto Pinochet and the leader of the opposition Democratic Alliance (AD), Gabriel Valdes. The controversy originated in a conference staged last week in Washington by the Democratic Party. This meeting was attended by Valdes and six other representatives of the Chilean opposition, along with several South American political leaders. Upon the conclusion of the conference, the leaders issued a joint statement in which they voiced their support for the Chilean and Paraguayan peoples who are struggling for a prompt restoration of democracy in those countries.

Pinochet today warned that those who favor the mistaken slogans and judgments that come from abroad and those who appeal to foreign organizations or governments are not contributing to the restoration of democracy. These sources are detached from our real situation and serve those who seek to meddle in our internal affairs, seriously jeopardizing our sovereignty, the head of state added.

For his part, former Foreign Minister Gabriel Valdes, a Christian Democrat, whose party is a member of the AD, along with the Republicans and right-wing Liberals, Radicals, Social Democrats, and Socialists, said that he is the most resolute supporter of nonintervention. However, Valdes stated that it is legitimate to struggle inside and outside the country for basic human rights, which are beyond the powers bestowed upon nations. It is preposterous to suggest that we keep an acquiescent silence when these rights are systematically violated in Chile, Valdes stated. We are voicing our claims in Chile, where an effort is being made to hide what is happening through full censorship, and we are also voicing our claims everywhere in the world, because for us freedom is a universal right. In this regard, during a press conference, Valdes today reasserted the statements he made in Washington that the United States could do a lot more to help Chile to restore democracy, although he failed to mention specifically what that help might be. The essential fact is that there is no transition to democracy in Chile. On the contrary, there is a setback, as shown by the continuation of the state of siege, something which implies the suppression of basic rights of Chileans, the former minister under late President Eduardo Frei (1964-70) concluded.

PINOCHET RECEIVES U.S. GENERAL THOMPSON

PY141432 Santiago Domestic Service in Spanish 1100 GMT 14 May 85

[Text] President Augusto Pinochet has had a meeting with U.S. Air Lieutenant General Herman Thompson, planning and programming director of the U.S. Joint Staff. The meeting, held in the president's office in La Moneda Palace, was also attended by U.S. Ambassador James Theberge and Chilean Chief of Staff Major General Jorge Medina. Following the meeting, the U.S. ambassador said that it was a courtesy visit. He added that Gen Thompson is in Santiago for the yearly meeting between the U.S. and Chilean Armed Forces. It is a technical visit made every year, the diplomat added, stressing that relations between the two countries are very good.

GOVERNMENT PROMULGATES BEAGLE TREATY LAW

PY141636 Paris AFP in Spanish 1419 GMT 14 May 85

[Text] Santiago, 14 May (AFP) -- The Chilean Government has promulgated the peace and friendship treaty that ended the conflict with Argentina over the Beagle Channel and established diplomatic and legal channels for the solution of any other territorial conflict between the two countries, thus making this treaty into a law of the nation. This has been accomplished by publishing the treaty in the OFFICIAL GAZETTE (where all laws are published).

FACH ENDORSES NASA LANDINGS ON EASTER ISLAND

PY160310 Santiago Domestic Service in Spanish 2300 GMT 15 May 85

[Excerpts] The Chilean Air Force, FACH, has endorsed the project under which space shuttles will be allowed to land on Easter Island. The project foresees the extension of the Mataverí airstrip on Easter Island to make it suitable for emergency landings by the NASA shuttles. This announcement was made by Brigadier General Ramon Vega Hidalgo, chief of FACH operations:

[Begin Vega Hidalgo recording] In this regard, the FACH has deemed it necessary to inform the public on the general terms of this project, which is very beneficial for the improvement of the island's aeronautical facilities and, therefore, for the development of its tourism and economic potentials. The FACH considers that this is a priority project. A final decision is to be made in the next few days. All the facilities will be erected by the U.S. Government through NASA, under the supervision of technical agencies of the Chilean Civil Aviation General Directorate. Under no circumstance does this project foresee the building of a permanent U.S. base. The airport will be used only in emergencies [word indistinct] to save time, days or weeks, and for a fixed period of time. [end recording]

Brig Gen Vega Hidalgo pointed out that the agreement under consideration is strictly civil in nature, because it involves two civil agencies, NASA and the Chilean Civil Aviation General Directorate. Asked about when a decision will be made on the issue, Brig Gen Vega Hidalgo replied:

[Begin recording] It is a political decision to be made probably by the Ministries of Foreign Affairs and Defense. [end recording]

CHARGES WITHDRAWN AGAINST CATHOLIC PERIODICAL

PY141914 Paris AFP in Spanish 1635 GMT 14 May 85

[Text] Santiago, 14 May (AFP) -- Judicial sources have reported that the military Government of Chile has withdrawn the charges against the Catholic magazine MENSAJE, which was charged with violating antissubversive laws.

The investigation of the charges against the publication was being carried out by a special judge with extensive powers who was appointed by the Santiago Appellate Court on 7 May. The government charged that MENSAJE published false and biased information that offended officials and that is considered a violation of the internal security law.

The magazine, which is run by Jesuit priest Renato Hevia, maintains a critical attitude toward President Augusto Pinochet's administration. In its latest issues the magazine emphasized the environment of political violence prevailing in the country in the confrontation between the government and the opposition. An article in the latest edition of MENSAJE indicated that in the confrontations the regime has resorted to the most barbaric methods, including torture and murder.

Early in 1985 charges were filed against MENSAJE by the Carabineros, the Chilean militarized police, which the magazine accused of carrying out repression against civilians and dissidents.

FARC-UP DENOUNCES RICARDO FRANCO FRONT

PA132228 Bogota EL TIEMPO in Spanish 10 May 85 p 10 C

[Communique released by the Central Staff of the Revolutionary Armed Forces of Colombia-Patriotic Union, FARC-UP, in La Uribe on 3 May]

[Text] The FARC-UP Central Staff denounces to the public opinion the campaign of discredit and disinformation that the various newspapers and newscasts in the capital city and the big press organizations in general have been devising against the FARC and the peace process in Colombia, which we have promised to develop and respect at whatever the cost.

It is thus that, in accordance with this malicious campaign, a number of crimes which are no part of our revolutionary struggle -- such as kidnapping, extortion, terrorism, and so forth -- have been frequently ascribed to our organization, not directly but through the so-called Ricardo Franco Group -- which poses as a dissident faction, when in fact this group of common bandits is merely a gang of deserters from our organization. Incapable of submitting to our movement's revolutionary discipline, and motivated by an unhealthy interest in profit and personal gain, the deserters who make up the Ricardo Franco gang have been committing all kinds of criminal outrages under the leadership of scoundrel and thief Jose Fedor Rey, also known as Javier Delgado, Guillermo, Ramiro Velez, Raul Mejia, and Jairo Reyes.

The Ricardo Franco gang has carried out terrorist actions in Bogota, Medellin, Cali, Barranquilla, Bucaramanga, Ibague, and Popayan, in the name of the FARC People's Army [FARC-EP]. The media have taken advantage of these incidents to accuse our organization of opposing the peace process or deceiving the people.

The Ricardo Franco deserters have joined other organizations that are not involved in the peace process, such as the Quintin Lame Group and the Army of National Liberation [ELN], and have carried out various proselytization activities and military actions, like those in Toribio, Miranda, and Yumbo; have kidnapped citizens and negotiated their ransom in Panama; and have deceived youth with ill-begotten money and false promises. Aware of the urgent need to once and for all clear up this misunderstanding which the big bourgeois press is exploiting, we are determined to maintain our word of peace in Colombia and have decided to do the following:

1. To launch a national campaign of annihilation against the traitors to peace and deserters of the FARC.
2. The various FARC-UP fronts have been authorized to carry out a cleanup operation and annihilate all the traitors in their areas, which cover the entire country.
3. The initial campaign launched in Cauca has had resounding success. A few days ago, all members of a squad of Ricardo Franco Group deserters were completely annihilated.

Finally, we do not wish to overlook the misinformation spread by the big bourgeois press, which has chosen to present us as blackmailers, taking advantage of the statement of our top leader, Manuel Marulanda Velez, to French television. Although it is true that the FARC-UP is in a position to mobilize a regular 40,000-strong army of perfectly armed, equipped, and trained men within the shortest of notices, it is no less true that we have given our word on behalf of a process that will culminate with the modernization of our defective and inoperative democratic system.

We thus confirm once again our interest in peace and our abidance by the agreements signed with the government. We urge the citizens to actively join our Patriotic Union movement in the search for a better future for Colombia.

Peace is achieved at the polls -- Patriotic Union.

[Signed] FARC-UP General Staff: Manuel Marulanda Velez, Jacobo Arenas, Jaime Guaraca
La Uribe, Colombia, 3 May 1985

Quintin Lame Group Communique

PA140054 Bogota EL TIEMPO in Spanish 10 May 85 p 10 C

[Report by Carlos Campo]

[Text] Popayan, 9 May -- In a communique, the Quintin Lame Commando has stated that it has not signed pacts or alliances to fight other guerrilla organizations. The Quintin Lame group also said that it is neutral in the confrontation between the Revolutionary Armed Forces of Colombia [FARC] and the Ricardo Franco Front.

A communique with its emblem was left in the EL TIEMPO offices by an individual who did not identify himself and who quickly left the offices.

The following is the text of the communique:

The Quintin Lame Commando clarifies to the public that it has not reached alliances or signed pacts aimed at fighting another guerrilla organization. The agreement reached with other forces, including the National Liberation Army [ELN] and the Ricardo Franco Front, refers to general activities in support of popular struggles, such as support for the national strike that various organizations are organizing. Our objective is to have all the guerrilla forces participate in that agreement.

Regarding the disagreements between the FARC and the Ricardo Franco Front, we hope that they will be resolved without resorting to weapons, looking at the overall interest of the revolutionary movement. In any case, it is a problem that must be solved solely by the aforementioned organizations.

Our group firmly promotes a policy of unity of the guerrilla forces and of all the popular organizations in general. We must find a solution to the existing differences among us through mutual respect and fraternal discussion. Only if our commando is attacked or if the Indian communities are attacked would we act against another guerrilla group.

[Signed] Quintin Lame Commando

FOREIGN MINISTER RAMIREZ VISITS ROMANIA

For Bucharest reportage of the visit to Romania by Augusto Ramirez Ocampo, minister of foreign affairs, including his talks with Nicolae Ceausescu, Romanian Communist Party secretary general and president of the Socialist Republic of Romania, see the Romania section of the 15 May Eastern Europe DAILY REPORT.

NATIONAL ACCORD TO HOLD MEETING ON 14 MAY

PY071345 Asuncion ULTIMA HORA in Spanish 6 May 85 p 10

[Text] The National Accord will stage a rally at 1600 local time on 14 May [Paraguayan Independence Day] at the Plaza Uruguaya [downtown square in Asuncion]. The Authentic Radical Liberal Party [PLRA], the Christian Democratic Party, the Febrerist Revolutionary Party [PRF], and the Colorado Popular Movement (Mopoco) will participate in this rally. The aim of the meeting will be to "reassert the patriotic convictions" of the member parties of the accord, the organizers of the rally have stated.

The ceremony is to begin at 1600 with the singing of the national anthem, followed by the popular songs of each party. Alfredo Rojas Leon, current president of the National Accord, will then open the ceremony. Rojas Leon will be followed by Mopoco President Waldin Ramon Lover, PLRA President Miguel A. Martinez Yaryes, and PRF President Euclides Acevedo. Foreign guests invited to this rally also will make speeches. PLRA Secretary General Miguel Abdon Saguier will make the final speech at the rally.

According to information on hand, the PRF has sent a note to the Interior Ministry, informing it of the rally and the list of speakers.

Alfredo Rojas Leon (Christian Democratic Party) and Miguel Angel Martinez Yaryes (PLRA) will leave for the United States today. Both have been invited by the State Department to participate in a meeting of democratic parties from all over the continent.

STROESSNER BRIEFED ON COLORADO INFIGHTING

PY110315 Asuncion ULTIMA HORA in Spanish 10 May 85 p 11

[Excerpts] The Council of Presidents of Alto Paraguay Departmental Colorado Party Branches has imposed a drastic political sanction on Dr Ramon Centurion Nunez, president of the National Cement Industry (INC). The council has fired Centurion Nunez both as its adviser and counselor and has declared him persona non grata for all Alto Paraguay Colorado members.

In a resolution, the council states the reasons for firing Centurion Nunez by charging him with "systematically and actively harassing Colorado leaders and members in Alto Paraguay Department; with hiring mercenary, unscrupulous politicians in the belief that these will outmaneuver local regional leaders whom he tries to subject to his concealed, questionable objectives; with misuse and abuse of the INC human and financial resources to fulfill his selfish, nefarious objectives."

A delegation of the Council met this morning with President Alfredo Stroessner and briefed him on the problem that has arisen at the Vallemi Colorado branch. The delegation delivered a copy of the resolution and a memorandum to the president. President Stroessner promised to look into this matter immediately.

BRIEFS

STATE OF SIEGE EXTENDED -- The executive branch has informed Congress that the state of siege in Asuncion has been extended for another 90-day period. [Excerpt] [Asuncion ULTIMA HORA in Spanish 10 May 85 p 11 PY]

BELAUNDE HOLDS PRESS CONFERENCE ON CURRENT ISSUES

PY141717 Lima Radioprogramas del Peru in Spanish 0100 GMT 14 May 85

[Press conference granted by President Fernando Belaunde Terry at Government Palace in Lima -- live]

[Excerpts] [Reporter] Permit me, Mr President, to ask two questions. The first refers to a statement the interior minister has made that there are signs that subversives are in the universities. Being a university professor with experience both in this country and abroad, do you believe it is necessary for the police to enter the universities to investigate this? My second question is: At what stage is the drafting of the national budget and how much is it?

[Belaunde] Concerning your first question, I believe this is the direct responsibility of the university authorities. I was a university official for many years, dean of the Architecture School. While I was dean, a situation of this type never occurred. Whenever there was the least problem, we responded to it with explanations. Obviously, if the university authorities assume their responsibility, because they are there to guide teaching and to promote culture and science, in no manner to give shelter to people who may place themselves outside the law; if they do their duty, which I am certain they will, nothing more will be necessary. They will put their houses in order, and they should share their houses only with students who go there in order to learn, not only for their own future but also, above all, to serve the country. If they have only that type of student, there will be no cause for concern.

As for your second question, letters are now being sent to the various ministries to draw up their budgets, and I believe that a person has been appointed who will represent the future government in the preliminary work on the national budget.

[(Raul Silva) of EL COMERCIO] Good evening, Mr President. Fishery Minister Ismael Benavides has again stated that he is against the fishery contracts with the Soviet Union. He says that there is [words indistinct]. What is your opinion about this matter, Mr President?

[Belaunde] As you know, that was a situation we inherited. These contracts strictly refer to port services, transit travel through the country, and operations beyond the 200-mile limit. I believe the operation has few advantages for Peru. Obviously, there is the advantage of ship movements for maintenance, repairs, and so on. It is a contract which, in fact, does not refer to the Peruvian territorial sea, only the waters beyond the 200-mile limit. After all, it is a friendly attitude toward a country with which we have international relations and some operations in various administrative areas. Of course, this makes us deal very carefully and with the greatest courtesy in this matter.

[(Miguel Paredes) of REUTER] Good evening, Mr President. The 18th of May is the fifth anniversary of the beginning of the Shining Path guerrilla violence aimed at overthrowing your government, which is representative of Latin American democracy, a goal the guerillas have not achieved. Could you tell us, Mr President, about the progress of the armed struggle against subversion?

[Belaunde] I believe that the critical Ayacucho region is now under control. This does not mean that deplorable events do not take place there sporadically, but if we compare the statistics of terrorist acts of past years with the current figures, we find that control has been established and that the presence of the Armed Forces has contributed to pacifying the region.

However, it is obvious that the terrorists have gone to other places and that there are now problems in places like Cerro de Pasco, for example. Of course, they are not familiar with that area and they do not have the family and personal links they had in Ayacucho, so I believe that the task of suppressing those groups will be easier there than it was in Ayacucho.

[Pedro Ortiz] Mr President, it has been announced that you will meet shortly with Alan Garcia, the virtual president-elect, in order to coordinate the transfer of powers. What will the meetings deal with, and has a date been set?

[Belaunde] Well, no date has been set, but that is no problem, and a meeting can be improvised at any time. The most urgent area is the economy, particularly the questions on credits, that is, the debt. Even though we fully accept our responsibility, it is no problem for us to allow the American Revolutionary Popular Alliance [APRA] observers to attend the negotiations. I believe this would be a mutual benefit, both for them in order to learn what is being done and make their plans in advance, and for us, because it would be a demonstration that we are not hiding anything, that our negotiations are being held openly. I also believe there is another field in which there should be very close contact, in the Foreign Ministry. A power transfer is not a frivolous ceremony, it is a very important one, and, naturally, there are prominent visitors who honor us with their visits on such occasions. Let us remember that in my case several heads of state came to Peru for the inauguration ceremony. This will obviously happen again on 18 July. This will have to be very well coordinated, the protocol office will particularly have to keep very close contact so that everything is done harmoniously. We will plan to receive the delegations with the greatest cordiality and to lodge them, and APRA will entertain the delegations and see them off after 18 July. Also there may be occasional contacts in other areas, but the most urgent areas are the Economy Ministry and the Foreign Ministry.

[[Name indistinct] of the daily HOY] Mr President, the National Electoral Court has not yet officially released the election results. Don't you think that this announcement is being unduly delayed?

[Belaunde] It is being delayed, but we already have a fairly clear idea about the results. I believe that the only remaining unknown is a matter that is almost of internal interest for each party: Who has received the most preferential votes? All of us know the percentages of the winning party and the percentages for senators and deputies. Now it is a question of the preferential vote, for which there should be tolerance, because it is a relatively new experiment. It was used for the Constituent Assembly, but with a single preference. Now things have been complicated, since there are two preferential votes, for which there should be tolerance, because it is a relatively new experiment. It was used for the Constituent Assembly, but with a single preference. Now things have been complicated, since there are two preferential votes. I am also a little impatient for the results to be fully published and (?confirmed).

[Luis (Krukel) of MARKA] Mr President, in answer to the statements Interior Minister Brush has made that subversives are in the universities, the rectors of the Universities of San Marcos, Cantuta, and the Engineering School have said that an attack is being made on university autonomy. In this regard, Mr President, do you agree with an intervention in violation of the Constitution and the law?

[Belaunde] I strictly abide by the Constitution and the law. I believe that the statements Minister Brush made are very moderate. He talked about university officials. It is up to the university officials to say when they believe it will be necessary to come to the Interior Ministry.

[Carlos (Schuman) of Lima Channel 9 Television] Mr President, the postponement of interest payments until July and the postponement of other payments on the foreign debt definitely puts Peru in a very difficult situation in relation to the economic process. Is the current government planning any solutions from now until July so that the upcoming government will have an easier task?

[Belaunde] An agreement was reached to get the 2-month postponement. It was not a unilateral Peruvian decision. There was a dialogue, and the banks were informed. This is similar to the agreements reached by other countries involving larger sums. Therefore, there will not be much pain. A country that has felt a stab will not feel a pinprick.

[Javier (Taibo) of the Spanish magazine DEFENSA] Mr President, I would like to ask a very pointed question. Are there any negotiations aimed at reducing the number of Mirage aircraft being purchased by the Peruvian Air Force in order to realign the budget into other fields?

[Belaunde] First of all, questions involving equipment for the Armed Forces are necessarily confidential matters. I never give details on these matters. There are some issues that are made public, so therefore I can talk in general terms. In general terms, the Peruvian Armed Forces are modern forces, well prepared, compact, and have acquired a minimum of equipment for the security of the country. The Armed Forces thoroughly studied this matter. Naturally, the country has to try to maintain this minimum necessary equipment either through the good maintenance of available equipment or the replacement of obsolete equipment.

This is the Peruvian philosophy. Peru is not an aggressive country. Peru is a country that defends what it belongs to it and nothing more. We do not have any ambitions outside our current borders, despite the fact that, as can be seen, history has been quite severe with us. Peru is no longer the Lima vice royalty or the Inca empire. We are very understanding of the historic cycles that have taken place with great sacrifices on the part of Peru, a country that still maintains the old dignity of the oldest South American civilization.

[Carlos (Schuman) of Lima Channel 9 Television] Mr President, press agencies today reported on a confrontation on the Peruvian-Ecuadoran border.

[Belaunde] I know nothing about it. I have not received any reports.

[(Schuman)] They were reported this afternoon, Mr President.

[Belaunde] Well, I have not seen any reports; therefore, I cannot make any comments.

SHOTS FIRED NEAR HOME OF ALAN GARCIA

PY142155 Paris AFP in Spanish 1751 GMT 14 May 85

[Excerpts] Lima, 14 May (AFP) -- The police today confirmed that last night two shots were fired near the house of Alan Garcia, which is located in the Miraflores District in Lima, while the virtual Peruvian president-elect was resting there along with his family. The authorities added that his bodyguards unsuccessfully chased two persons who fled in a blue car.

Garcia is the most-guarded person in Peru since 24 April, when a Shining Path commando attacked the president of the Electoral Court, Domingo Garcia Rada, seriously wounding him.

Police sources have stated that it has not been determined yet whether the incident that occurred a block away from the house of the winner of the 14 April elections was an unsuccessful attack.

On the other hand, the police stated that a commando, which identified itself as being a member of the Tupac Amaru Revolutionary Movement (MRTA), yesterday planted a bomb at the Hermano Anselmo Maria School in downtown Lima. School director Leonor Narvaez reported that one of the secretaries received a call warning her of the existence of a bomb and said that 500 children were immediately evacuated to a nearby church while the police were informed.

Bomb experts found the bomb wrapped up in a cardboard shoebox inside a garbage can in one of the school's yards and deactivated it.

In the meantime, the antiterrorist police directorate (Dircote) has reported on the arrest of Alejandro Ayra Carhuarica, 23, alias Comrade Julio, whom it blamed as being one of the three Shining Path members who last week murdered American Revolutionary Popular Alliance [APRA] Deputy-elect Luis Aguilar Cajahuaman in Pasco, 317 km east of Lima. Aguilar was also a mayor in a Pasco district and a professor at the Daniel E. Carrion University in Pasco. Actually, he was murdered inside the university.

ROLLOVER GRANTED ON FOREIGN DEBT PAYMENT

PY110245 Paris AFP in Spanish 0229 GMT 10 May 85

[Text] Lima, 9 May (AFP) -- Peru obtained a new rollover [preceding word in English] until July of \$1.85 million in overdue obligations related to its foreign debt. This announcement was made today by an Economy Ministry spokesman. The postponement for the payment of Peru's obligations with foreign creditor banks was communicated to the Peruvian Government by the Creditor Bank Advisory Committee, which is headed by the City Bank of New York, the same source reported.

This is the third postponement granted to Peru for meeting obligations in arrears so as to alleviate the country's internal financial difficulties. These obligations are due on 13 May, but 3 days ago the government requested the rollover.

Of the \$1.85 million, \$1.5 million represent obligations of the central government and various state-run enterprises, and \$350,000 corresponds to a revolving suppliers' credit that is providing breathing room for the Peruvian financial system.

BRIEFS

FISHING SHIPS FOR SOVIET UNION -- The Navy Industrial Service (SIMA) will build a fleet of tuna fish fishing boats each with a capacity of 3,000 tons for the Soviet Union. [Excerpt] [Lima EL COMERCIO in Spanish 30 Apr 85 p A 4 PY]

DEFENSE MINISTER SAYS NO VACANCIES TO BE FILLED

PY111745 Paris AFP in Spanish 1448 GMT 11 May 85

[Excerpt] Montevideo, 11 May (AFP) -- Defense Minister Juan V. Chiarino has said that the Uruguayan Government will not fill any future military vacancies, in order to drastically reduce the military budget. Not a single vacancy will be filled from now on in the Defense Ministry, not even that of a single private, asserted Chiarino, who said that he discussed the matter this week with the commanders of the Armed Forces. The minister stated that any vacancy that occurs will remain open, because it is necessary to drastically reduce the military budget.

MILITARY DISSATISFACTION GROWS, GENERAL RETIRES

PY111812 Madrid EFE in Spanish 0809 GMT 11 May 85

[Text] Montevideo, 11 May (EFE) -- The reinstatement of Generals Liber Seregni and Victor Licandro has prompted dissatisfaction in certain sectors of the Army, and the pressures against the democratic government of President Julio Maria Sanguinetti, including the presumed illegal concentration of troops in their barracks, have multiplied. The Army's dissatisfaction was evident last night when Defense Minister Juan Vicente Chiarino confirmed that IV Army Division Commander General Jose Siqueira has asked that he be placed in retirement, without giving any explanations. High-level military sources have told EFE that Siqueira's retirement was prompted by the fact that he believes that the Army he serves cannot be the same as that of Seregni and Licandro. Siqueira, who held a lengthy meeting with the president of the Republic, was the commander of a division that in the past strongly supported the regime of the former military president, Lieutenant General Gregorio Alvarez. Sanguinetti was unable to convince Siqueira to change his mind about retiring, Minister Chiarino stated.

As the news of the retirement of the division commander was reported, persistent rumors on the concentration of troops in their barracks in the interior of the country circulated in Montevideo. The defense minister denied the rumors, and any concentrations were unknown to Army Commander Lieutenant General Hugo Medina. According to news gathered by EFE from reliable sources, the concentration of troops in the Army units has been ordered by middle level military officers as a way to put pressure on the generals so that they give notice to President Sanguinetti of the existing dissatisfaction with what they believe is disregard for the military court of honor, which stripped Seregni and Licandro of their ranks. Seregni and Licandro were stripped of their ranks by two military courts of honor during the dictatorship, and President Sanguinetti reinstated them last Wednesday. Seregni is the leader of the left-wing Broad Front coalition and Licandro is an important leader. The decision of the democratic government was not made in consultation with the military leadership, which has expressed its dissatisfaction over the disregard of clear-cut regulations on honor within the military cadres. According to a report to EFE, the Army commander himself learned about the reinstatement of the military ranks to Seregni and Licandro through a television newscast. The sources have recognized that for the time being, the concentration of troops in their barracks has as its objective only a show of power vis-a-vis the civilians, who a little more than 2 months ago restored democracy in Uruguay. This show of power also has the goal of alerting the democratic authorities to draft legislative bills aimed at reinstating hundreds of officers who were removed from the cadres of the Armed Forces for their presumed involvement with the left.

ACTIVITIES OF ALGERIAN PRESIDENT BENDJEDID

Report on Arrival

PA140129 Caracas Television Service in Spanish 0000 GMT 14 May 85

[Text] We share the defense of common economic interests and a value system in which we believe, said President Jaime Lusinchi in his welcome speech to Chadli Bendjedid, president of the Democratic and Popular Republic of Algeria. On his part, President Bendjedid said that Algeria and Venezuela have common aspirations.

President Bendjedid arrived from Havana, Cuba, at 1340, 20 minutes ahead of schedule. President Bendjedid arrives at a time of great significance for the two countries, which have unbreakable friendly ties and cooperation in various fields. At this moment Algeria and Venezuela are playing a very important role in defending the rights of Third World countries.

President Bendjedid was received at the Simon Bolivar International Airport by Algerian Ambassador Mustafa (Butaisidid) and by Rodolfo Molina, Venezuelan Foreign Ministry protocol director. Then President Lusinchi and Mrs Lusinchi greeted him as he stepped down from the plane which brought him from Havana.

Both presidents reviewed the honor guard. Next, President Lusinchi said:

[Begin recording] As we reiterate our call for peace and solidarity among peoples, I am sure that our talks will be of great benefit for our countries, for the free countries of the world, and for the entire world. Algeria and Venezuela have always acted in this manner and I am sure that this meeting is going to strengthen this policy. I therefore greet you, Mr President, on behalf of my people, with the hospitality with which Venezuela always receives its old friends. Feel at home, Mr President. [applause] [end recording]

His Excellency Chadli Bendjedid, president of the Democratic and Popular Republic of Algeria, stressed the importance of his visit to Venezuela by saying:

[Begin Bendjedid recording in Arabic with superimposed Spanish translation] Mr President, Mrs Lusinchi. The very cordial words you have just spoken to the Algerian people and to me, deeply move me. It increases my pleasure to be here for the first time on Venezuelan soil. The warm welcome you have given me and my accompanying delegation is due to the well-established tradition of hospitality of the Venezuelan people and the type of relations uniting our peoples. It is also due to your personal kindness, for which I thank you very much. [end recording]

This afternoon President Bendjedid visited the National Pantheon where he placed a wreath at the grave of Simon Bolivar. He was accompanied by Interior Minister Octavio Lepage, who showed him portions of the National Pantheon. Afterward, they signed the National Pantheon guest book.

Meeting With Lusinchi

PA152150 Caracas Television Service in Spanish 1600 GMT 14 May 85

[Text] The presidents of Algeria and Venezuela, Chadli Bendjedid and Jaime Lusinchi, respectively, will sign bilateral cooperation agreements on economic and technological matters.

The two leaders met in Miraflores Palace for more than 1 hour. They discussed matters of common interest as well as international issues, oil matters, and the behavior of world markets.

Later, during a special event at the Venezuelan Foreign Ministry, Lusinchi expressed the solidarity of Venezuelans regarding the suffering of South African peoples and the consequences of that suffering. In his message of solidarity with the Algerian people Lusinchi said that we are committed to defending the just struggle of the Namibian people to control their destiny. He also rejected the constant repressive actions against African countries and reaffirmed the Venezuelan people's awareness of this situation.

Reiterating to his Algerian counterpart that today's meeting marks the growth of relations between Venezuela and Algeria, President Lusinchi urged the illustrious visitor to join efforts in the struggle for peace for the two nations.

Bendjedid thanked Venezuela, acknowledged the efforts of the Contadora Group, and expressed full support for those efforts. He expressed gratitude for receiving the Order of the Liberator and noted that this honor shows that his visit to Venezuela means that the two nations understand one another and have the same ideals. In conclusion, he reiterated the willingness of the Algerian people to develop ties of friendship and cooperation with Venezuela.

Meeting With AD, COPEI Leaders

PA152223 Caracas Television Service in Spanish 0000 GMT 15 May 85

[Passages within quotation marks recorded]

[Text] Algerian President Chadli Bendjedid met with top leaders of the Democratic Action [AD] and COPEI parties today. Our reporter Martin Pacheco gives details of both meetings.

[Pacheco] The agenda of President Bendjedid's second day in the country began early today with a meeting with Godofredo Gonzalez and Eduardo Fernandez, top leaders of COPEI's National Executive Committee. Gonzalez and Fernandez discussed several topics with the visiting president. They stressed the position of the Christian democratic sector toward Algerian democracy. Gonzalez made this statement as he left La Vineta, the presidential residence:

[Gonzalez] "In our capacity as the main opposition party we are fully identified with a policy of rapprochement of ties and defense of common interests among OPEC member countries in general, and between Algeria and Venezuela in particular."

[Pacheco] Bendjedid also held a private meeting with former President Luis Herrera Campins. They discussed international politics, the Central American situation, and Venezuela's proposal to join the Nonaligned Movement. Herrera Campins talked with this station at the end of this important visit:

[Herrera Campins] "He reaffirmed what we all know about: Algeria's support and sympathy for the efforts of the Contadora Group and its desire for the attainment of peace in Central America."

[Pacheco] The meeting with AD's National Executive Committee was held in the afternoon. AD President Gonzalo Barrios; Congress President Reinaldo Leandro Mora; Pedro Paris Montesino; AD Secretary General Manuel Penalver; Ruben Carpio Castillo, chairman of the Senate's Foreign Policy Commission; Humberto Celli; (Marco Tulio Romicelli); and others went to La Vineta. They discussed the world's political and economic situation.

President Bendjedid also questioned the AD leaders about the Central American situation. Barrios described this conversation with the visitor as very productive.

[Barrios] "I dare say he is very optimistic when compared with certain gentlemen of this country. He does not believe there is a grave crisis. [Words indistinct] imagine the problem."

[Pacheco] "Does that optimism guarantee the strengthening of OPEC?"

[Barrios] "Algeria is a country that has been very loyal to OPEC. It has been one of the countries that has behaved correctly, like Venezuela."

[Pacheco] The Algerian president also visited the Congress. Tomorrow will be very busy too, although he has certain private activities to carry out. He will meet with former President Carlos Andres Perez.

The second round of talks between the heads of state of Algeria and Venezuela was held today. Elsie Barraqueta reports on this:

[Barraqueta] "This second work meeting lasted 1 hour and 40 minutes. They were accompanied by their respective foreign ministers, but our energy and mines minister was also present. "They were supposed to have concluded the discussion or analysis of matters of interest for the two nations because tomorrow will be the last meeting, and it will be held to sign a bilateral agreement."

"Perhaps tomorrow newsmen and the public will learn the details of the presidential talks and even the opinion of the Algerian president about certain aspects concerning the oil market. The Algerian president has called for a press conference early tomorrow. "In any case, it is certain that the presidential talks included topics such as the oil issue and the stabilization of the market, as well as matters involving the Nonaligned Movement."

INDONESIAN FOREIGN MINISTER ENDS 2-DAY VISIT

PA071217 Paris AFP in Spanish 2030 GMT 7 May 85

[Text] Caracas, 6 May (AFP) -- Indonesian Foreign Minister Jusumaatmaja Mokhtar today described the efforts of the Contadora Group as the only peaceful and intelligent way to solve Central America's problems.

Mokhtar, who concluded his 2-day official visit to this country last night, made statements to reporters at the end of his busy agenda that included meetings with President Jaime Lusinchi, Foreign Minister Simon Consalvi, and Senate President Reinaldo Leandro. The Indonesian foreign minister reported that President Lusinchi talked about the Central American situation for a long time. He referred "to the explosive nature of the situation at the present time and to the efforts that Venezuela and the other Contadora Group members are making."

He described the U.S. economic embargo against Nicaragua as "a weaker substitute for the funds for the 'contras' that were denied by Congress, and this simply means that the U.S. Government had to do something at that moment."

In addition, regarding the visit by Nicaraguan President Daniel Ortega to Moscow, he said that Soviet leader Mikhail Gorbachev "is too cautious to spoil the good relations he is trying to preserve with the United States."

"In Indonesia we hope that in the long run the Contadora process will prevail, and for this reason our country supports the group, but we believe that the countries of the region know best the possibilities for a solution."

FOREIGN MINISTER MEETS FINNISH COUNTERPART

PA101532 Caracas Television Service in Spanish 0000 GMT 10 May 85

[Text] Venezuelan Foreign Minister Simon Alberto Consalvi today accepted an invitation from his Finnish counterpart Paavo Vayrynen to visit that Scandinavian country. Here is a report by Martin Pacheco from the Foreign Ministry.

[Begin report] Vayrynen met with Consalvi and the presidents of the foreign affairs committees of the legislative chambers. The chief topic of his meeting with Consalvi was the serious Central American crisis. The Finnish foreign minister said that his country has strongly and unconditionally supported from the beginning the peace efforts of the Contadora Group in Central America. According to Vayrynen, only through Contadora can peace return to this troubled region. Other topics raised were economic and cultural relations as well as cooperation between the two nations. The foreign ministers agreed that active work is required for peace and disarmament.

The Finnish foreign minister will conclude his visit to our country tomorrow. He will continue his Latin American tour and leave for Buenos Aires.

[Begin Consalvi recording] We then installed negotiating teams on economic matters to review fundamentally our trade relations, in which Venezuela has an unfavorable balance. We hope that after this visit our relations with Finland will deepen and that our exchanges will become more diversified, not only in economic matters but in the cultural, educational, and political fields, among others. [end recording]

Finland has thus joined the large number of countries which are currently giving their full support to the mediation efforts of the foreign ministers of Venezuela, Colombia, Mexico, and Panama, which are aimed at working out a subregional peace agreement for Central America [end report]

AD EXPELS COUNCIL MEMBERS; COMMUNIQUE ON EMBARGO

PA081658 Caracas Television Service in Spanish 0000 GMT 7 May 85

[Excerpts] A total of 18 council members have been expelled from Democratic Action (AD) for disobeying the party's line in several city councils throughout the country. The decision was adopted today by the National Executive Committee (CEN) of the AD, which also decided to turn over to the Discipline Tribunal another 12 council members.

[Begin AD Secretary General Manuel Penalver recording]

This is an AD decision, and it is a firm one. He who makes pacts with the party's enemies and violates the party's line is automatically excluded from the party and turned over to the Discipline Tribunal. There are other cases, of minor offenses or lack of discipline, but these are within the council. These are turned over to the Discipline Tribunal, which conducts an investigation and imposes the necessary sanctions. [end recording]

The CEN of the AD held a meeting today and approved a resolution on the U.S. trade embargo on Nicaragua. Among other things, the document states: The trade embargo imposed by the U.S. Government against the Republic of Nicaragua is a measure that will have great repercussions and is very significant. It should therefore be the topic of a careful and sincere analysis. The document adds that in analyzing the situation created by the trade embargo ordered by the United States it is necessary to admit that the decision affects the Contadora Group in particular, inasmuch as it creates an atmosphere inadequate for the negotiations and search for peaceful solutions, which are the justified purposes of the group. The document concludes: The AD supports the Venezuelan Government's communique on this delicate issue and requests that the president of the Republic, as the representative of the nation, regard these statements as an expression of sincere and frank concern by our party.

PRESIDENT VOWS GOVERNMENT TO GUARANTEE PEACE

PA141427 Mexico City XHDF Television Network in Spanish 0300 GMT 14 May 85

[Report by correspondent Humberto Mares Navarro]

[Text] Mexican President Miguel de la Madrid today stressed that the government of the Republic will continue to guarantee social peace and liberties, and will not accept provocations from minority groups.

[Begin Humberto Mares Navarro recording] The Mexicans and the government of the Republic will continue to reject provocations from minority groups that want to destabilize Mexican society, said De la Madrid. The president of the Republic said that the solidity of the country and its laws are beyond those groups that want to see social disturbances as an imitation of other societies.

At the installation of the National Council of the Mexican Workers Regional Confederation [CROM], De la Madrid said that despite the difficulties we have experienced, it can be said today that the goals have been reached, the inflation rate has been curbed, economic growth and the generation of jobs have resumed, public finances have been improved, and state-owned enterprises have been strengthened.

Mexico is moving forward, said the president, thanks to the solidaristic effort of Mexicans. He indicated that the country is gradually returning to normal but that the struggle is not over and we are not immune to risks. For this reason, he said, we must not become discouraged and must continue to work enthusiastically.

Meanwhile, Cuauhtemoc Paleta, the CROM's interior secretary, voiced the support of that confederation for the federal government. He emphasized that the dangers threatening us are more serious than ever and, in view of this, the CROM will maintain its alliance with the state. He criticized businessmen who exert pressure on the government to distort laws and the institutions. [end recording]

COMMUNIQUE WITH ALGERIA RELEASED 13 MAY

FL141354 Mexico City NOTIMEX in Spanish 0135 GMT 14 May 85

[Text] Mexico City, 13 May (NOTIMEX) -- The joint communique signed by Mexican President Miguel de la Madrid and Algerian President Chadli Bendjedid states that it is necessary to make greater efforts to end the deterioration of the international political climate and the degradation of world cooperation for the sake of development.

In the communique, released today by the Foreign Secretariat after Bendjedid's 8-10 May visit to Mexico, the two leaders noted the seriousness of the world crisis, which mainly affects the developing nations. They also discussed the situation in Central America and the Contadora Group's efforts over the past 2 years to find a peaceful solution to the controversies and to effect the adoption of effective compromises to guarantee peace, security, and stability in the region.

On the situation in southern Africa, De La Madrid and Bendjedid reiterated their condemnation of apartheid and their strong support for the African people. They also expressed their support for the Palestinian people's right to self-determination. Moreover, they support convening an international UN conference on the Middle East with the participation of the PLO.

The communique points out that the two presidents are satisfied with the results of their meeting, which marks a new stage in Mexican-Algerian relations and contributes to the encouragement of solidarity and cooperation among developing nations.

The two countries decided to set up a joint intergovernmental commission on economic cooperation, trade, and science and technology.

Foremost among the agreements signed is the one between the Mexican Petroleum Institute and the Algerian National Petroleum Enterprise for the development of hydrocarbon technology.

Maritime Trade Agreement

FL141448 Mexico City NOTIMEX in Spanish 0055 GMT 14 May 85

[Text] Mexico City, 13 May (NOTIMEX) -- The Algerian Embassy here has announced that an agreement between Algeria and Mexico will be signed for the purpose of establishing a maritime route between the two countries. The embassy's official spokesman said that in the recent visit here by Algerian President Chadli Bendjedid, the foundation had been laid for a trade impetus unprecedented in the history of Algerian-Mexican relations.

The main Mexican exports to Algeria are coffee beans, textile containers, coal tar, books, machinery, electronic equipment, and petrochemical equipment.

Mexico's purchases from Algeria include magnetic tape, books in several languages, prepared foods, dried dates, clothing, hides, and shoes.

The spokesman also said an agreement would be signed this year that would open limitless trade possibilities between the two countries.

He added that Mexico would provide technical assistance from the Mexican Petroleum Institute (IMP) to build a (?propane) extraction unit.

The embassy spokesman stressed that the IMP had won the competition to determine who would design the extraction technology for the product in Algeria. France, Brazil, Italy, and India also entered the competition.

NICARAGUA OFFICIAL ON TRADE OFFICE IN CANADA

FL151816 Mexico City NOTIMEX in Spanish 2005 GMT 14 May 85

[Text] Mexico City, 14 May (NOTIMEX) -- To counteract the U.S. economic blockade, Nicaragua will open a trade office in Canada in order to acquire spare parts for machinery and raw materials it normally gets from the United States.

Francisco Lacayo, Nicaraguan deputy minister of education, made that announcement and stressed that the economic embargo imposed on his country several days ago violates a dozen international rules and articles of the UN and the OAS. Interviewed at the airport as his plane was making a technical stopover on a trip from Canada, the Nicaraguan official stressed that the Canadian Government would allow a trade office in that country.

He also said the Canadian prime minister had pledged to prevent U.S. companies from boycotting the sale of products to Nicaragua because that would violate Canadian trade laws.

Lacayo pointed out that the Sandinist Junta wants to talk with mature and reasonable people because at stake is the future not only of his people but also that of Central America, Latin America, and the United States.

PSUM CHIEFS CRITICIZE INTERPARLIAMENTARY MEETING

FL141618 Mexico City NOTIMEX in Spanish 1820 GMT 13 May 85

[Text] Mexico City, 13 May (NOTIMEX) -- Members of the opposition Unified Socialist Party of Mexico (PSUM) have said members of the U.S. Congress showed disrespect in their dialogue with Mexican legislators during the 25th interparliamentary meeting.

PSUM chief Pablo Gonzalez said the U.S. parliamentary delegation arrived with a demanding attitude and a negative position on Mexico's defense of Nicaragua's principles. Mexico said the differences should be solved through dialogue. He said the U.S. delegation has demanded that Mexico fight drug trafficking more energetically even though in the United States, there is a market of 20 million addicts and organized Mafia drug traffickers. On trade, he said the United States has increased the number of protected products and emphasized tariff maneuverings while it has demanded that Mexico not take advantage of tariffs.

Another PSUM leader, Valentin Campa, meanwhile said the Mexico-U.S. interparliamentary meeting was a failure. The U.S. Government never respects agreements made by its legislators in these meetings and keeps pressuring Mexico to do so. He said it is necessary to reject U.S. interference in order to strengthen the country in the face of foreign traps. He noted that interparliamentary meetings have never managed to produce advantageous agreements on subjects such as undocumented workers or the foreign debt.

Campa said a few second-and third-rate U.S. senators and congressmen attended the meeting with the purpose of neither studying the problems nor of contributing to their solution but rather of deceiving us. He said the United States is becoming more and more arrogant. It believes it is the master of Latin America and laughs at the UN's standards on the self-determination of the peoples.

BOLIVIAN EMBASSY ISSUES DOCUMENT ON EMBARGO

FL142136 Mexico City NOTIMEX in Spanish 1824 GMT 14 May 85

[Text] Mexico City, 14 May (NOTIMEX) -- The Bolivian Government has exhorted the United States to stop trying to resolve the Central American situation with force, and has called for the use of dialogue and negotiation to overcome differences.

In a communique released by the Bolivian Embassy in Mexico, the Bolivian Government has energetically condemned the trade embargo imposed by Ronald Reagan against the Sandinist government of Managua. The document underscores the fact that this measure constitutes another obstacle to the efforts of the Contadora Group and other nations of the international community that are seeking a peaceful solution to the Central American crisis.

In the document, Bolivian Foreign Minister Edgar Camacho Omiste reiterates his most resolute support for the efforts of the Contadora Group, consisting of Mexico, Venezuela, Panama, and Colombia.

In the special case of Nicaraguan relations with the United States, Bolivia is confident that through direct dialogue just solutions can be found for the differences that separate them, by avoiding actions that, far from helping to solve the problem, provoke greater separation between the members of the inter-American system, the document says.

COSTA RICAINCIDENT WITH SANDIST PATROL BOAT REPORTED

PA150231 San Jose Radio Reloj in Spanish 1200 GMT 14 May 85

[Text] Costa Rica's Public Security Ministry has reported on an incident involving Sandinist patrol boats.

Public Security Minister Benjamin Piza stated yesterday that there had been a clash on Thursday, with a Sandinist patrol boat in the Agua de Dulce Lake on the Atlantic coast. The incident happened at night when a patrol boat reportedly entered Costa Rican waters, prompting the civil guards to open fire.

The public security minister stated that in view of the attack, the Nicaraguan patrol boat decided to leave the area without trying to repel the action by our authorities, who were immediately reinforced with units from the Atlantic Command.

MONGE COMMENTS IN 3 YEARS IN OFFICE

Part I

PA101349 San Jose LA REPUBLICA in Spanish 28 Apr 85 pp 10, 11

[Part I of interview with President Luis Alberto Monge by Danilo Arias Madrigal at the Presidential Palace in San Jose; date not given]

[Excerpts] On a sunny day at the National Stadium, 8 May 1982, Luis Alberto Monge acquired four obligations: to social justice, to democracy, to ethical values in public administration, and to production.

Three years later Monge accounts for his actions with technically 275 days to go, although legally there are 365.

We halted the country's trend toward impoverishment which had become noticeable in 1980, grown in 1981, and become a threat in 1982. We lowered inflation, made quarterly wage increases according to the family food basket, and put our currency in order.

"In these 3 years there has been absolute respect for the democratic institutions, human rights; absolute freedom of expression; and absolute freedom to criticize the conduct of the president and the government."

[Arias] Has that bothered you?

[Monge] No, constructive criticism does not bother me, I accept it.

[Arias] Extremism?

[Monge] We prevented the possibility of the extremist groups' taking advantage of the country's critical situation to cause social tensions, and we also prevented serious confrontations in the country at the same time we advanced in the real struggle against poverty.

[Arias] Threats?

[Monge] The people, more than the government and I, managed to establish a "sanitary cordon" to prevent the country from being contaminated with Marxist-Leninist ideas.

[Arias] Are you sure?

[Monge] So much so that in these 3 years Marxism-Leninism has endured its worst period in our country.

[Arias] Support?

[Monge] We are seeking support, and we have it from democratic countries such as the United States, Latin American countries, and several European countries since my trip to Europe last year.

[Arias] Conclusion?

[Monge] We are fighting the crisis without sacrificing our democratic system of life in freedom. The people are united around democracy, and the opposition groups have had no success in the country.

Part II

PA101413 San Jose LA REPUBLICA in Spanish 29 Apr 85 pp 10, 11

[Part II and last part of interview with President Luis Alberto Monge by Danilo Arias Madrigal at the Presidential Palace in San Jose; date not given]

[Excerpts] Now, more than 1,000 days later, President Monge looks backward and exclaims: "We have accomplished the miracle."

[Arias] Measures?

[Monge] The condition of the country's economy when we received it forced us to the first drastic, severe, almost suicidal action.

[Arias] Plan?

[Monge] First of all, to seek economic stabilization and to mend the state's economic production system, which was in poor condition and bankrupt. (We had a \$4 billion foreign debt, the doors of international credit institutions had been closed to us, we had quarreled with the IMF, our national institutions were totally bankrupt, we had a 95 percent inflation rate, we suffered anarchy in the monetary market, and we also suffered a 19 percent unemployment rate.)

Our investments were down to zero. He repeats: Down to zero. There was flight of capital and, to top it off, Central America burned with domestic wars. We had to act speedily.

[Arias] Today?

[Monge] It would take time to enumerate all our achievements, but we can assure the country that it was a hard, difficult, delicate time. However, we have bridged the gap between stabilization and reactivation.

[Arias] Signs?

[Monge] The signs are clear 1,000 days later. For example, our growth rate increased from zero to 2 and 1/2 percent, while our economic growth rate is 6.6 percent.

[Arias] Investments?

[Monge] They have been reestablished.

[Arias] Foreign debt?

[Monge] We have reached very satisfactory agreements.

[Arias] But the foreign debt is not being amortized.

[Monge] That is impossible. We are paying the interest.

[Arias] Unemployment?

[Monge] It is 6.5 percent now.

[Arias] What would have happened without foreign aid, since the United States alone has given the country \$650 million in 1,000 days?

[Monge] This aid has been significant and decisive. It allowed us to effect a painless economic adjustment, as in other countries.

[Arias] Domestic factor?

[Monge] It has been very important; not everything comes from abroad. The country contributes its own.

[Arias] In what fields?

[Monge] National investment. Capital is returning to the country. I have the names of persons and enterprises. There is confidence in the country. The black clouds of 3 years ago have disappeared. We are sure that there will not be any catastrophes or social and political upheavals here.

[Arias] Lower interest rates?

[Monge] The lowered interest rates on deposits paid in the United States have influenced the return of capital, but confidence is fundamental for this "repatriation" of hundreds of millions of dollars.

[Arias] The IMF?

[Monge] We had no alternative but to deal with the IMF.

[Arias] Why?

[Monge] Well, to deal with the IMF is bad, but not to deal with it is catastrophic. We chose the former.

[Arias] Now?

[Monge] An agreement was again signed. By year's end we hope to have stronger tools to make some measures more flexible.

[Arias] These 3 years and Nicaragua?

[Monge] It is a reality that there is a government nearby that maintains a philosophy opposite to that of most Costa Ricans.

[Arias] How have these 3 years affected the country?

[Monge] Let's sum it up like this: These 3 years have distorted and are an inconvenience for Costa Rica's foreign policy.

[Arias] Explain.

[Monge] Many of our decisions are determined one way or another by this phenomenon of our neighbors. This involves us day in and day out, because we have 318 km of common border and we are 4 hours by land and 45 minutes by air away from that country.

[Arias] Have you been criticized much for your policy regarding Nicaragua?

[Monge] Those who criticize and even condemn us from the opposition ranks regarding our policy toward Nicaragua are not aware that they may become part of the government as of 8 May 1986. They should not now think, act, or speak as if they will never bear the burden in government.

[Arias] So?

[Monge] Well, if we become the opposition in 1986 I, as former President Luis Alberto Monge, will very carefully consider this 4-year presidential lesson so as not to do anything that will make it more difficult for the government to handle an international situation as complex and delicate as the relations with Nicaragua.

[Arias] Solidarity?

[Monge] During these 3 years the world's democracies have demonstrated their solidarity with us for our neutrality policy toward war. This neutrality does not include our ideology.

[Arias] Will the Nicaraguan Government's ideology penetrate Costa Rica?

[Monge] I hope our people's deep democratic calling will keep us from the danger of Marxism-Leninism, violence, and terrorism. I don't think this ideology will penetrate Costa Rica.

[Arias] Breaking off relations with Nicaragua?

[Monge] It has been considered.

[Arias] Will it happen?

[Monge] Failing other preliminary measures, this would be the ultimate decision. Breaking off relations only for the sake of doing so would only create domestic unrest in the groups who support the Nicaraguan Government. This would not lead us to any clear goal in the future. I have never thought of breaking off relations with Nicaragua only for the sake of doing so.

[Arias] But?

[Monge] We would be forced to break off relations in the instance of a massive aggression or invasion, but I do not anticipate that in the immediate future.

[Arias] In such a case, all relations would, in fact, be broken off?

[Monge] That is obvious, because we would have been attacked by Nicaragua, a country that has an army and armament. Breaking off diplomatic relations would be the only path open to us.

[Arias] What would come after that?

[Monge] The country's mobilization to repel the attacker.

[Arias] With what?

[Monge] Some have been saying that we could do nothing because we don't have either an army or arms. This is false! This is false! The army that repelled Walker in 1856 was improvised and rapidly organized. Some will say that today's arms are sophisticated, but we must have reasons to fight. We Costa Ricans have many reasons to fight. We have an army formed by every Costa Rican. We will be invincible because we will be defending what is purest: our homeland.

[Arias] What stance should we assume today?

[Monge] We must maintain a frank, clear disagreement with the political philosophy of the Nicaraguan Government and remain neutral regarding that country's domestic conflict. We should not meddle in that conflict, because we know that most Costa Ricans oppose this ideology of the Managua government.

[Arias] You won't shift your stance?

[Monge] I don't want Costa Rica to enter a war. I want it to be at peace. The Costa Rican people would have to force us into a change of stance. However, as long as they don't do this I prefer to remain completely neutral regarding the Nicaraguan domestic conflicts or those that could unfortunately occur in other Central American areas. A war among Central Americans would be even worse.

[Arias] What solution can you foresee in Nicaragua?

[Monge] I harbor hopes for a positive change in Nicaragua.

[Arias] How?

[Monge] I wouldn't dare describe or define it. Such a description would amount to expressing a very specific opinion on Nicaragua's future. As the president of the Republic, I cannot and should not do this.

EL SALVADORDUARTE LEAVES FOR U.S. VISIT ON 15 MAY

PA151842 Paris AFP in Spanish 1717 GMT 15 May 85

[Text] San Salvador, 15 May (AFP) -- Salvadoran President Jose Napoleon Duarte left today for Washington, where on Sunday he will be awarded an honorary degree in engineering from Notre Dame University for being "the alumnus who has reached the highest post in his country." The Salvadoran president will also go to New York next week to meet with U.S. business leaders. He will then return to Washington to meet with officials of the State Department, the White House, Senate, and Congress.

Duarte will also speak to a group of investors in Miami to stimulate interest in investing in El Salvador.

The president, who is scheduled to return on 25 May, refused to make statements before leaving and participated only in a protocol farewell ceremony.

REPORTAGE ON FMLN, ERP KIDNAPPINGS OF MAYORS

PA142235 San Salvador Radio Cadena YSU in Spanish 1200 GMT 13 May 85

[Text] A few hours ago FMLN guerrillas kidnapped the mayor of Nueva Esparta and the municipal secretary of Poloros, military sources in Jocoro reported today.

The municipal authorities were detained by the extremists yesterday. There is another report that the mayor of (San Jose Las Flores), was also kidnapped, but no military source has confirmed this. All these mayors are from La Union Department municipalities. The mayors who have been kidnapped are from San Luis de la Reina, San Juan, (Arenilla), Gualococti, San Isidro, Nueva Esparta, (Toloaiti) and El Sauce. The municipal secretary of Poloros has also been kidnapped. The report on the kidnapping of the mayor of (San Jose Las Flores) has yet to be confirmed.

ERP Issues Communique

PA151724 San Salvador Radio Cadena Sonora in Spanish 1515 GMT 13 May 85

[Text] Cadena Sonora's press department will now relay an interview with People's Revolutionary Army [ERP] members who telephoned our press department:

[Begin recording] [eporter] Listeners of Cadena Sonora's press department: We have just received a telephone call from people who identified themselves as ERP members in connection with the case of the mayors of San Jorge and San Rafael Oriente. Go ahead with your communique:

[Unidentified ERP member] Communique regarding the cases of the mayors of San Jorge and San Rafael Oriente:

The ERP reports that:

1. After the elections, the mayor of San Jorge, Christian Democratic Party [PDC] activist, was captured by our forces so that we could explain to him that we would not allow the installation of the municipal administration, and that therefore he should abstain from assuming office. He was released after this warning. A few days later this gentleman assumed office. For this reason, our forces captured him again. He tried to escape as we were taking him to the interior of an area under our control and this caused an incident in which he was killed.

2. The mayor of San Rafael de Oriente was released in order for him to take to Napoleon Duarte a message from our organization containing the proposal we released in connection with the cases of Companera Commanders Janet Samour and Maximina Reyes Villatoro.

3. On 11 May our forces captured the mayor of Pecapan, Usulután Department. In addition, the mayor's office in San José Las Fuentes, La Unión Department, was destroyed, raising the number of mayors offices destroyed in the country's eastern region to over 35.

Here is a list of mayors captured by ERP forces thus far:

1. Antolin Nunez Canales of El Sauce, La Unión Department
 2. Adrian Hernandez of San Simon, Morazan Department
 3. Francisco Garcia of Gualocozi, Morazan Department
 4. Ciriaco Hernandez of Yolaiquin, Morazan Department
 5. Santos Velasquez Ramos of San Luis de la Reina, San Miguel Department
- This mayor belongs to the Nationalist Republican Alliance.
6. Nelson Ayala of Tecapan, Usulután Department
 7. Eduardo Argueta of Algeria, Usulután Department

With the unbreakable [word indistinct] to struggle for the Salvadoran revolution until we win or die. Revolution or death, we will win.

[Signed] General Command of the ERP, member of the FMLN, Morazan, 12 May 1985

[Reporter] Is it true that you are planning to kidnap 25 mayors and later exchange them for revolutionary leaders who are being held?

[ERP member] We have not set any number for the exchange. Indeed, we continue pursuing our policy of dismantling local administrations both in areas under our control and undisputed areas. However, we do not have a given number. We will continue pursuing this strategy.

[Reporter] Is there any chance that you will carry out this exchange?

[ERP member] We are hoping for a more positive attitude on the part of Mr Duarte's government because what we really seek are agreements to humanize the conflict.
[end recording]

VENCEREMOS REPORTS ERP COMMUNIQUE ON MAYORS

PA131730 (Clandestine) Radio Venceremos in Spanish 0000 GMT 11 May 85

[Communique issued by the People's Revolutionary Army [ERP], member of the FMLN, in Morazan on 10 May]

[Text] The ERP reports:

1. Yesterday, a guerrilla unit of our army captured the mayor of Gualococti, Morazan Department, who is a member of the Christian Democratic Party [PDC]. This mayor can be added to the ones we have already captured in the eastern region and whom we are holding captive.

2. Since the beginning of the war we have pursued a line opposed to local administrations across the country because they are a fundamental component of the counter-insurgency plans financed and sponsored by the United States through the AID. This enemy policy has now taken on greater importance with the expansion of U.S. intervention. Among other things, local administrations are the bases on which the PDC plans to create fascist organizations, information networks, and the already known and repudiated Civil Defense.

Therefore, in addition to representing the central government in our area, local administrations are a fundamental belligerent component of the enemy's political and military plan. For this reason, our forces have decided to attack and dismantle local administrations more actively than ever. It is not acceptable for the government to seek to continue exercising power where it definitely no longer has control and where there is a duality of power between the FMLN and the Armed Forces. Therefore, it is inadmissible for the government to seek to establish mayors' offices and authorities in those areas. A total of 50 out of 86 municipalities in the eastern region now have dual power structures.

3. Before the elections we clearly and directly issued warnings in all areas that we would not accept mayors or political parties in zones under our control or disputed zones, and that we would take measures before, during, and after the elections. Some persons who forced to become candidates resigned and withdrew from their parties.

4. We do not consider the PDC, Duarte, and the other leaders to be innocent or to represent a third force in this conflict. Mr Duarte and the rest of the PDC members are fully aware that they have committed themselves to an antipopular, repressive, and surrender-oriented plan in cooperation with the Army. Therefore, they also are active and belligerent parties in this war and are directly responsible for repression, crimes, and the disappearance of people in these past few years. We will deal with them in accordance with their actions.

5. The mayors we have captured have been classified as prisoners of war involved in counterinsurgency plans against our forces and our people.

6. Commander Janet Samour and Companera Maximina Reyes Villa Toro were captured in San Miguel by the National Guard on 30 December. The two women had been captured, but the Armed Forces Press Committee denied it. In this way the Duarte government and the Armed Forces high command demonstrated a total disregard for our companeras' prisoner of war status.

The two companeras have been subjected to cruel tortures by the National Guard. Nothing has been heard of them because they refused to cooperate with the enemy. Our public and private efforts to determine their whereabouts have produced only vague and misleading answers, with which the Armed Forces have tried to win time or make us forget about the matter. The Salvadoran church has not cooperated much with our efforts either.

7. Our organization has fully respected the rights of prisoners of war and has facilitated their release, both publicly and privately. We have captured more than 1,000 soldiers, dozens of officers, the well-known criminal Captain Medina Garay, and former Defense Minister Colonel Castillo. We also currently have in our hands three CIA agents, two Hondurans, and one Colombian. The rights of all of them have been respected. This is our forces' substantial contribution to the humanization of the conflict.

8. A unilateral attitude in the process of humanizing the conflict is unacceptable. For this reason the nonresolution of the case of Companeras Samour and Reyes hampers and jeopardizes any possibility of reaching agreements to humanize the conflict.

9. As the result of all we have presented so far, we assert that the situation of all mayors captured by our forces will only be settled if the Duarte government resolves the case of Commander Samour and Companera Reyes.

10. Considering the fact that the church, through Msgrs Rosa Chavez and Rivera y Damas, has made efforts to obtain the release of the mayors we hold as prisoners, we hereby assert that we are willing to accept their mediation provided they are allowed to visit and observe the situation of our companeras.

11. We want to make clear that what we propose is fundamental respect for the right of our companeras to live and be tried in court. We reiterate that the violation of this right cannot be tolerated at this stage of the war because we have constantly treated the enemy prisoners of war fairly.

12. Duarte's government, the PDC, and the high command should bear in mind that there will continue to be prisoners of war of all kinds and on both sides in this war. Leaving this case unresolved could bring serious consequences and will aggravate the war.

13. Finally, we hold Duarte, the PDC, and the Armed Forces high command responsible for our companeras' lives and situation. Let Duarte, the PDC, and the high command be assured that we will not let this criminal action go unpunished. With an unbreakable determination to fight for the Salvadoran revolution until we win or die, revolution or death, we will win.

[Signed] ERP General Command, Morazan, 10 May 1985

VENCEREMOS REPORTS CAPTURE OF TWO MORE MAYORS

PA150408 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 May 85

[Text] Attention: In keeping with our determination not to allow the local enemy authority figures to be present in areas where the Armed Forces have lost control, we report the capture of the mayors of San Dionisio and Tecapan, Usulután Department in the past few hours. We reiterate that the situation of all captured mayors can only be resolved if the Duarte government resolves the case of Commander Janet Samour and Compañera Maximina Reyes.

We remind the Duarte regime, the Christian Democratic Party, and the high command that in this war there will be other prisoners of all kinds on both sides. To leave the case of our companeras unresolved could bring about serious consequences leading to a worsening of the conflict.

HONDURAS

FOREIGN SECRETARY DISCUSSES BORDER SITUATION

PA152303 Tegucigalpa Cadena Audio Video in Spanish 1835 GMT 15 May 85

[Press conference held by Presidency Secretary Ubodoro Arriaga Iraheta and Foreign Secretary Edgardo Paz Barnica at the Presidential Palace in Tegucigalpa; questioners not identified -- broadcast in progress -- live]

[Excerpt] [Question] Lawyer or Deputy Nicolas Cruz Torres told the local press that what is occurring on the border, the war drums, is a despicable attitude of Suazo Cordova and is an effort to distract the attention of the Honduran people. He said that it is stupid to think that Nicaragua is carrying out such actions.

[Paz Barnica] First, I could say that a despicable attitude would be that of a person who does not want to see the dead, those who were killed by the Nicaraguan Army. There are dead and wounded. Despicable means to offend the memory of Hondurans, members of the Armed Forces, who died by the bullets of the Sandinist People's Army. Despicable also means not seeing that a Honduran helicopter was downed and that all its crewmembers and passengers -- who included professionals, lawyers and engineers -- were returned to Honduras dead.

[Question] [Words indistinct] National Security Council when there is a possibility influential labor centrals will call a strike.

[Paz Barnica] No, it is about internal topics. We made the pertinent analysis to avoid acts of pressure so that public order will not be disturbed and so that through dialogue and understanding problems such as [words indistinct] can be solved.

[Question] When you referred to inaccurate reports published in the newspapers are you referring to yesterday's report on what the presidency secretary said with regard to the fact that a disarming of the contras has begun [words indistinct]?

[Paz Barnica] It is not in line with the truth. In other words, it was a misinterpretation of the statements made by the presidency secretary.

[Question] He clearly said it. When asked if he thought that the problem on the border area would be solved... [rephrases] [words indistinct] pulling out the contras from the area. He said that yes, that it was [words indistinct] immediately. He said that the Army was going to do that and that it was already being done...

[Paz Barnica, interrupting] ...Clear, too. It said that the Honduran Government, through the Armed Forces, has control of the border area inside Honduran territory and does not permit armed groups. Don't forget that in 1979 approximately 50,000 Nicaraguans also came to Honduras. They were fleeing the climate of violence and revolution against the Somoza dictatorship. The Nicaraguan conflict, just like other Central American conflicts, is not limited to the national borders but affects other countries as well. Consequently, a democratic government such as that of Honduras -- under the leadership of a president who is devoted to working for the well-being of the country and ignoring the offenses committed against him, some coming from his own party comrades who have made treason a norm of conduct -- has reiterated and reaffirmed the principle of nonintervention and the necessary control inside Honduras.

[Question] What would be the response of the Honduran Government to the proposal made by the Nicaraguan Government of [words indistinct]?

[Paz Barnica] That proposal was not made by the Nicaraguan Government. It was the Honduran Government which, in March 1982, made a peace proposal. Later on, I went to Nicaragua and met personally with Commander Daniel Ortega and we proposed the establishment of a control or mechanism of international verification and control in the border areas, for the land as well as for the sea. We also proposed the creation of demilitarized zones on land as well as at sea. There were even meetings at the Foreign Ministry and military chief levels of the two nations. There was going to be a subsequent meeting in Corinto, Nicaragua, but the Nicaraguan Government cancelled it. Daniel Ortega told me that such a meeting was not important to them, that the important thing to them was the aggression Nicaragua was a victim of, not from Honduras, but from the United States. We believe that this type of proposal you are referring to and which Victor Hugo Tinoco, the acting foreign minister of Nicaragua is making right now, is the same as one made by Honduras, and it should be channeled within the overall framework of the Contadora Group negotiations.

[Question] Then, the war in Nicaragua has again taken up this initiative of the Honduran Government. Could an effort occur in this direction?

[Paz Barnica] This could very well occur in Contadora's regional and general framework.

[Question] Is it true that the counterrevolutionaries who had their bases at [word indistinct] were dislodged by Honduran Army members?

[Paz Barnica] I can't answer this question because I think it does not fit reality. I am not familiar with the area, nor do I think the Honduran Army has disarmed anyone because what the Honduran Armed Forces have done is to control those sectors so as not to allow armed groups there.

[Question] Rumors have been circulating that the Armed Forces will intervene in a scheduled general strike.

[Paz Barnica] I cannot tell you anything on this.

[Question] What do you think about what Nicolas Cruz Torres said about the conflict with Nicaragua being a maneuver to distract attention from the country's domestic situation?

[Paz Barnica] Victor Mateos already asked me that question, and I told him that the dead speak for themselves [words indistinct].

[Question] How many displaced persons are at the border area at present?

[Paz Barnica] I can't give you any precise figure because the number increases every day.

[Question] What measures will the Honduran Armed Forces take in order to control the counterrevolutionaries present in the border area within the Honduran territory?

[Paz Barnica] The Honduran Armed Forces and Government must reassert the principle of nonintervention as they have always done in the past.

[Question] [Words indistinct] counterrevolutionary groups in the sector of [words indistinct]?

[Paz Barnica] I didn't understand your question.

[Question] Will the Honduran soldiers expel counterrevolutionaries from Honduran territory if they find them at the border?

[Paz Barnica] Counterrevolutionaries are the result of a particular policy.

[Question] [Words indistinct] in order to control this (?situation) more effectively?

[Paz Barnica] According to instruction issued by President Suazo Cordova and the Security Council, the Armed Forces try to exert as much control as possible. Let's bear in mind that we have three borders and our country borders two oceans. In addition, our border with Nicaragua is 800 km long and it is along very rugged territory. We can't set up a military cordon to protect the Nicaraguan Government. Let them set it up on the other side of the border.

[Question] Does that mean that Honduras will disarm and not [words indistinct] the counterrevolutionaries? Your statement in this regard practically contradicts what the minister for the presidency said yesterday. [Words indistinct] speaks for itself.

[Paz Barnica] No, I am not contradicting him. I heard yesterday some rumors that do not reflect the reality of what was said. Honduras has jurisdiction over the Honduran territory and does not allow armed groups to operate in this territory.

[Question] What measures will Honduras take to prevent these groups from being in this area? Because they are there.

[Paz Barnica] This cannot be asserted. Honduras does not permit armed groups to operate in its territory.

NATIONAL SECURITY COUNCIL ISSUES COMMUNIQUE

PA152016 Tegucigalpa Cadena Audio Video in Spanish 1849 GMT 15 May 85

[Press communique issued by the National Security Council in Tegucigalpa on 15 May]

[Text] The National Security Council meeting today discussed the situation on the border between Honduras and Nicaragua, which has worsened in the last few weeks. In effect, on 10 May Honduran territory was the object of grave acts of aggression by the Nicaraguan Government's Army. At 1100 on that day, four members of the Honduran Armed Forces were wounded and one was killed in Los Arenales as a result of attacks by the Nicaraguan Army.

On that same day, 10 May, the Honduran Government, through the Foreign Secretariat, addressed the Nicaraguan foreign minister to express the most vigorous protest over the aforementioned act of aggression. It stated that such attitudes do nothing but create a climate of greater tension that hinders any effort for peace in Central America that the Honduran Government has been sponsoring since 1982, as shown by its firm support for the Contadora efforts.

On 11 May, Nicaraguan Acting Foreign Minister Victor Hugo Tinoco replied to the Honduran Government's protest note making extremely delicate accusations against our government and Armed Forces. He stated that his government is not in a condition to specify whether the Honduran soldiers [as heard] who were killed in the aforementioned incident were killed as a result of clashes that occurred in Nicaraguan territory or in the border region and subsequently taken to Honduras. As can be seen, the Nicaraguan Government's accusation is extremely grave since it implicates the Honduran Armed Forces in actions in which it did not have a part. On the contrary, our Armed Forces, following the instructions of the president of the Republic, have proceeded to increase vigilance on the border with Nicaragua in order to prevent situations such as those that were denounced and to control those groups of Nicaraguans in the zone who are fleeing from the situation of violence and armed conflict that exists inside Nicaragua.

In accordance with instructions of the president of the Republic, and as was decided in the National Security Council, the government has ordered, through an interinstitutional action among the Armed Forces and other public sector institutions, that rehabilitation work be carried out in the affected regions in order to give the necessary confidence to the Honduran population, which is the victim of the conflict situation existing in Nicaragua that has repercussions in that sector. A considerable number of Hondurans have had to leave the aforementioned area due to the previously indicated reasons. The conflict situation in that border region is the result of the internal political and armed conflict in Nicaragua that is not confined only to that nation but spills over into neighboring countries.

In view of this situation, the Honduran Government, by virtue of its power and sovereignty, is maintaining control over this region within Honduran territory, not permitting the existence of armed groups, and observing the principle of nonintervention. The Honduran Government, through the National Security Council, reiterates its determination to apply the corresponding laws to all those foreigners who, abusing our country's hospitality, violate those laws.

Tegucigalpa, 15 May

ARMY TO DISARM CONTRAS IN BORDER AREA

PA151523 Tegucigalpa Cadena Audio-Video in Spanish 1145 GMT 15 May 85

[Text] The Honduran Army intends to disarm most of the counterrevolutionaries operating along the border. Strict measures will be adopted by the Honduran Government to prevent the contras' armed activities in the national territory, according to statements issued yesterday by the minister of the presidency. The government and the Armed Forces will soon begin a number of operations aimed at preventing future clashes along the border with Nicaragua.

As is known, tension between the two countries is presently at a critical level, since Sandinist troops attacked Honduran forces after having entered our national territory. The armed clashes in recent days are the result of the presence in the border sector of Nicaraguan counterrevolutionary groups who are using Honduran territory for their operations, according to reports from Hondurans affected by such activities. Large numbers of Hondurans living in communities along the Nicaraguan border have been forced to leave that sector and move farther into Honduran territory where they feel safe from the attacks of the Sandinist forces.

In view of the above, the Honduran Army will carry out an extensive operation in the area of conflict in the next few days in an effort to disarm the contras who are using our territory for their battles. At the same time, the government is discussing the necessary measures to keep the anti-Sandinists who reside in the country from participating in the current crisis along the Nicaraguan border. These measures will probably include a ban preventing those individuals from carrying weapons in the country.

A government spokesman said that parallel actions will be carried out to put a stop to the armed clashes along the border and prevent future similar problems because they are worsening the political crisis existing in the country.

Residents Evacuate Area

PA151848 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 14 May 85

[Excerpt] Residents in at least eight hamlets, including Arenales, Amparo, and La Esperanza have begun to evacuate the border area, according to official sources. Peasant Mauricio Lasso reported that hundreds left the area over the weekend. Civilian sources said that at least 500 Honduran soldiers have been sent to the sector to prevent an eventual attack near the border. However, the Defense Secretariat has issued no report on the mobilization of troops to that region.

NICARAGUADECISION TO EXPAND TRADE TIES CONFIRMED WITH USSR

PA152318 Managua Radio Sandino in Spanish 1930 GMT 14 May 85

[Text] Mikhail Sergeychik and Henry Ruiz, heads of the state offices for foreign economic relations of the USSR and Nicaragua, respectively, today confirmed their governments' determination to expand their bilateral ties, it has been reported in Moscow. The exchange of letters for the future development of economic relations signed by both officials takes on particular importance at a time when the U.S. Administration is enforcing a total trade embargo on Nicaragua in addition to other coercive measures.

A total of 25 projects have either been constructed or are currently under construction in Nicaragua with cooperation from the Soviet Union. Trade between Nicaragua and the Soviet Union has expanded considerably, from 51.9 million rubles in 1983 to 138.1 million rubles last year. The Soviet Union supplies mainly machinery, equipment, means of transportation, oil, and oil by-products to Nicaragua.

ORTEGA LEAVES FRANCE, VISITS ITALY, FINLAND

Concludes Paris Visit

PA150431 Managua Domestic Service in Spanish 1200 GMT 14 May 85

[Text] President and Commander of the Revolution Daniel Ortega Saavedra and his entourage left Paris yesterday at 0820 Paris time for Rome, where Ortega will meet with Italian Prime Minister Bettino Craxi. During his 20-hour stay in Paris, Commander Ortega followed a busy work schedule that included a meeting with French President Francois Mitterrand, a press conference with correspondents from all the European countries, and meetings with thousands of people including representatives of humanitarian organizations and entities that are in solidarity with our people. Commander Ortega was bid farewell at Paris' Orly International Airport by the head of French protocol and thousands of people who chanted slogans about Nicaragua.

President Ortega announced that French President Francois Mitterrand had suggested economic aid through trade exchange. Ortega added that on no occasion did Nicaragua express a need for weapons or other war materiel.

Received by Italian Minister

PA150004 Managua Radio Sandino Network in Spanish 1200 GMT 14 May 85

[Text] Rome -- President Daniel Ortega Saavedra, commander of the revolution, was received today by Italian Prime Minister Bettino Craxi. During his visit to Rome, President Ortega will pay a visit to the FAO general headquarters and he will hold a meeting with Rome Mayor Ugo Vetere. According to dispatches from news agencies, the mayor's office issued a communique reiterating Rome's solidarity with Managua and also the wish that the Nicaraguan people can attain economic and social progress in peace. President Ortega will leave tomorrow, Wednesday, for Helsinki, Finland.

Meets Finnish Officials

For Helsinki coverage of the visit to Finland by President Daniel Ortega including his meetings with Finnish President Mauno Koivisto and Prime Minister Kalevi Sorsa, see the Finland subsection in the NORDIC AFFAIRS section in the 16 May Western Europe DAILY REPORT and subsequent issues.

RAMIREZ ADDRESSES NATIONAL CONSTITUENT ASSEMBLY

PA141935 Managua Domestic Service in Spanish 1651 GMT 14 May 85

[Speech by Vice President Sergio Ramirez Mercado to the National Constituent Assembly in Managua; broadcast in progress -- live]

[Text] ...Political, the Reagan administration would not have to give such priority to the use of economic blackmail as a weapon. As a military alternative, the counter-revolutionary forces represent, today less than ever, no threat to the revolutionary power. Their plan to control part of the territory, gain influence among the people, establish regional operation commands, and control areas of economic importance have been foiled by the strength of our heroic Army whose consistency and experience increases each day, and includes our courageous youths of the Patriotic Military Service, the Peasant Territorial Militias, the Border Guard Troops, our Air Force, our artillery, and the Interior Ministry Force. The mercenary bands have not only been expelled from most of the territories they attempted to occupy but now we are beating them in their own dens.

It is also now clearer than ever to the world and to the U.S. public that the alleged civilian leaders of the counterrevolution, as well as its military chiefs, are mere paid agents of the CIA. There is evident proof of this, including, for example, testimony by Arturo Cruz carried by THE WALL STREET JOURNAL. This clearly proves, once and for all, that Nicaragua's confrontation is with the U.S. Government and not with the group of hired mercenaries.

By resorting to the Emergency Powers Act, President Reagan placed an entire world power, which hopes to take nuclear war to outer space, in a state of national emergency to face the threat of this small nation. According to his 1 May presidential decree, Nicaragua must be punished for its exaggerated arms buildup, the threat it represents to the stability of its neighbors, and the dictatorial system prevailing inside the country, in addition to its dangerous ties with the Soviet Union and Cuba.

It must also be said that the specific reasons for the official document decreeing the embargo included the lie that seven Nicaraguan State Security Office agents were captured in Honduran territory and linked to the Cinchoneros guerrilla organization. This is such a flagrant lie which, like with many others, faded away, within a few days. Now it is said that those allegedly captured were Hondurans and not Nicaraguans. While these pretexts were being used to justify the extreme measure taken against the supposed abuse of U.S. laws and international laws and conventions, reality revealed something very different. There has been an exaggerated and disproportionate buildup of arms in Central America under the sponsorship of the U.S. Government. This includes its increasing presence in El Salvador, where it has military advisers and to which it supplies extensive military aid; the arrival of a first contingent of military advisers in Costa Rica that has established a center at El Murcielago farm near the Nicaraguan border; and the uninterrupted military maneuvers in Honduras, which are drills for a direct military invasion of Nicaragua which is the final and definitive alternative in all of the U.S. aggression plans for a final solution to the United States' incompatibility with the Nicaraguan system. Thus far the maneuvers in Honduras have included infantry exercises, air and naval maneuvers, and tank and armoured vehicle drills. More recently artillery exercises are or will be under way as part of the "Big Shot" maneuvers. To this we add the construction, during the past several years, of airports, arms and fuel depots, military roads, naval bases, and communications and radar stations in Honduran territory. It is not difficult to conclude that the scene for a direct aggression is more than set.

The continuous and systematic growth of these maneuvers, the increased involvement of U.S. troops in them, and the stockpiling of increasingly more sophisticated weapons systems in Honduras is nothing but an open defiance of the Contadora Group's peace efforts as stated in the revised document of 4 September 1984 which Nicaragua immediately accepted. While Nicaragua, in a gesture of goodwill toward the Contadora Document, ordered the withdrawal from Nicaragua of 100 Cuban advisers, the United States responded by intensifying its maneuvers and increasing the number of U.S. forces in the region. As always, the United States has also told a calculated lie. White House spokesmen stated that Nicaragua has replaced in equal or similar numbers the advisers who left. This statement is absolutely false.

Nicaragua's desire for peace and negotiation has found contrasting and more dangerous responses. As Defense Minister Humberto Ortega reported, the CIA has already furnished the terrorist forces that have bases in Honduras with ground-to-air missiles. This entails an incalculable element of risk for the entire region: the possibility of irregular forces using offensive weapons that are even sensitive for use by established governments.

In order to complete my rebuttal of the false pretexts the United States is utilizing to justify such an unjustifiable action as the blockade against Nicaragua, let us not forget that the Reagan administration is shamelessly speaking of totalitarianism in Nicaragua and of the absence of pluralism in our society. We believe that our appearance today before the National Assembly where political parties of the most diverse ideologies participated in the elections of 4 November 1984, which none but the most obsessed extremists have doubted, is proof enough of the genuine desire for pluralism upheld by the FSLN. Pluralism effectively respects even those isolated groups that refused to participate in the elections. Moreover, it is our aim to materialize this desire for pluralism as provided in this Assembly's internal charter, in the constitutional debates, and in the constitution itself.

In Nicaragua, we do not persecute representatives who were elected by the people nor do we threaten to send them into exile. We do not arbitrarily veto the laws that have been discussed by the legislative branch. We do not imprison the president of the Supreme Court of Justice. Those are practices of the old Central American totalitarianism which are still taking place today. We do not have death squads to murder candidates for deputies and council members before they can even enjoy their elected posts. Thus, we have an incipient democracy that is consolidated with an authentic (?peace) and not an imitation or a bloody farce. [applause]

From the very moment that the U.S. Congress began to discuss the draft law which was to give new funds to the counterrevolutionary forces, a matter which became an obsession for the Reagan administration, Secretary of State Shultz announced before one of the Congress' commissions that if the funds were not approved the administration would apply economic sanctions against Nicaragua. In spite of all the efforts of pressure, blackmail, manipulation, and propaganda used by the U.S. Government to achieve the approval of these funds, an approval which would have represented the political support of Congress for the military and political aggressive measures of President Reagan against Nicaragua and the preparation for future direct actions, the request was defeated, as we all know. Therefore, the economic blockade which had already been announced was put into action as an alternate mechanism of repression against our country, but also as an act of vengeance against the U.S. Congress.

However, the blockade, as an action of wounded imperialist pride, not only fell into a political vacuum within the United States, but into a vacuum that has turned, as the days advance, into open questioning by the media and full rejection by the senators, congressmen, civilian organizations, and labor unions. Likewise, and this must be said, it is not in harmony with the interests of the U.S. business community, creditors, and financiers with whom we have always had an orderly process of restructuring our debt. It is also not in line with the U.S. corporations established in Nicaragua that buy our export goods and provide us with raw materials, spare parts, and capital goods of U.S. origin.

This obstruction of trade relations, which involved Nicaraguan exports of approximately \$56 million annually to the United States and U.S. exports to Nicaragua of \$113 million annually, and has also produced an economic questioning within the United States against the boycott, inasmuch as Nicaragua has been noted for being a serious exporter, an abiding importer, and a trustworthy customer for any country that chooses to be our business partner, even in the midst of our economic difficulties.

The U.S. business community also felt that President Reagan's disproportional and illegal use of the emergency powers created numerous factors of insecurity and instability for U.S. importers and investors because their government's violation of international laws results in a lost of trust. Precisely, President Reagan's plan at the industrialized countries summit was to obtain the [word indistinct] of world trade in favor of the U.S. interests affected by its huge trade imbalances.

The political [word indistinct] with which the economic blockade against Nicaragua was decided, its unjust and disproportional nature, and its definite contradiction with the principles of international coexistence and peaceful relations among the states, in addition to the fact that it appears clearly as a maneuver to destabilize Nicaragua, produced a worldwide reaction by governments, political parties, parliamentary forces, international organizations, labor unions, churches, to an extent never experienced before by the United States, even when President Reagan decided to mine our ports or when he decided to reject the jurisdiction of the International Court of Justice in view of Nicaragua's demand. Such actions were also repudiated throughout the world.

The economic blockade was announced with great arrogance, not in the United States, but in the FRG. This is unprecedented, unless we recall Caesar issuing his imperial decrees in Italy or Egypt because Rome was (?infinite). At that moment, the boycott was unanimously rejected by the industrialized countries attending the summit. President Reagan admitted this rejection upon completing his European tour in Portugal prior to returning to the United States, but attributed this to philosophical differences with his allies.

All the West European countries and the EEC authorities have condemned the economic blockade against Nicaragua. The Soviet Union and all the socialist community countries; the Nonaligned Movement, led by the strong rejection filed by the movement's president, Indian Prime Minister Rajiv Gandhi; the UN Security Council; the most important Latin American countries including Argentina, Uruguay, Brazil, Costa Rica, Colombia, Mexico, Ecuador, Venezuela, Cuba, and Belize; the OAS Permanent Council; and Caricom condemned the economic blockade against Nicaragua. Thus far, no one in the world has supported the blockade except Honduras. SELA, which is holding an emergency meeting today in Caracas, will probably issue a resolution condemning the measure. A similar resolution is expected to be issued by the GATT, which is scheduled to hold an emergency meeting in Geneva in the next few days. The U.S. Government wanted to isolate Nicaragua, but instead it has itself become politically isolated; this again demonstrates that the force of reason and justice are more powerful than any other kind of force, military or economic.

Undoubtedly, the economic blockade measures decreed by the U.S. Government against Nicaragua will add difficulties and limitations to those that the Nicaraguan society must endure due to the war of aggression. These measures have put the country's economy in a more acute and greater state of emergency. However, we have already told the nation that when there are firm, organized people ready to face obstacles and challenges there is no blockade, boycott, or aggression capable of stopping creative energy, the ability to pull through, and the will to advance and win.

The U.S. blockade affects the entire society: the workers in the cities and the countryside; owners of small and medium farms; agricultural and livestock, industrial, and agroindustrial enterprise workers; artisans; professionals; and technicians.

The blockade affects production and services, further limits our long-term investment potential and, therefore, affects the speed with which the revolution would like to solve the country's economic transformation and development problems. Like the other Latin American and Third World countries, we have been suffering from the deterioration of exchange rates, the flight of capital, the burdening weight of the foreign debt, the trade balance deficit, and therefore, a shortage of imported items for production and services. In addition to this, the war of aggression has produced profound alterations in the economy, in public expenditures, and in currency circulation. It has produced inflationary tendencies.

As a result of this, the revolutionary government adopted the economic measures that President Ortega announced to the country at the beginning of this year. These measures have been aimed at stopping the effects of the crisis and at logically ordering the economy for survival. This implies giving priority attention to defense, to production, in order to have domestic supplies of export goods; and to reordering the distribution of basic consumer goods.

This situation has become more acute now. To deal with it, we must include new elements, and today, more than ever, we must have the people's participation, which must be manifested in the form of effective production, good quality services, and in a really just distribution of consumer goods. It was in this spirit that the revolutionary government announced the implementation of a basic measures plan that includes the following:

1. To produce effective systems for the just distribution of basic goods to the population.
2. To reach higher levels of productivity in all the production centers of the country.
3. To economize on the elements necessary for production, raw materials, and fuel, and to take good care of production plants, machinery, and tools.
4. To give national and decided support to the innovators movement and to the organized production of spare parts and tools.
5. To use rationally medicine, medical equipment, and other resources related to social services.
6. To promote plans for the production of food in work centers of the communities and in homes.

Our political, and therefore economic, ideas on dealing with the blockade must be aimed at searching for strategic solutions in an orderly and aware manner. The U.S. embargo has a real effect on our economy, precisely because of the degree of dependency which Nicaragua inherited from the old foreign domination. So it is now a matter of taking the right approach in order to eliminate this historical dependency and take the true path to overcome it.

We must promote an international cooperation that is diversified and secure. We must immediately replace that which we can replace with our efforts and creativity. At the same time, we must secure new markets for our exports, but these markets must be reliable and, for the medium and long term, we must introduce effective measures to rationalize productive efforts. We must eliminate obsolete U.S.-made plants. We must replace segments of production systems and even entire production systems, when possible, with reliable technological imports.

We must concentrate plants and unify systems. We must brush aside that which is not profitable because it is obsolete. We must replace the sources of supplies and raw materials. All these are tasks that must be dealt with strategically and with an overall perspective. We must never think that the permanent solution must be sought through a clandestine entry into the markets. We must not be subjected to the uncertainty of buying what we need through the back door and thus prolonging, under more disadvantageous positions, our foreign dependence. We must depend on our own strength and attain a new level of international economic relations that offer security in the supply of foreign resources. These are our immediate challenges and in view of them, we have issued a nationwide call without any exclusions.

We are working hard in the search for new markets for our traditional exports. We already sent, only a few days after the announcement of the embargo and before it went into effect, our first banana shipment to Western Europe. We will direct our meat exports to Canada and other Latin American countries. We are on the way to securing markets for our fish products and tobacco. Now we will be able to consolidate a diverse export market that includes the Far East, the Arab and Islamic countries, Latin America, Western Europe, and the socialist countries. We are also making efforts to replace the imports that used to come from the United States. We feel that the trade mechanisms in Central America must be reactivated in the face of this situation and we have already expressed this to the governments of the area.

This will be a process of adjustment that will not be completed within a short term and that will result in an initial drop in inventories, limitations in the operation of the factories, and problems to be solved concerning the harvests. However, these are problems that we will solve and overcome sooner or later.

To face all these grave challenges, we have issued a call which, I repeat, involves all of the country's sectors. It is undoubtedly up to the organized people, the unions, and the popular organizations and associations to give the most effective and immediate responses to fulfill the plan of measures we announced in a creative way without a lack of initiatives. We have also issued a call to all productive sectors, including private producers who share the responsibility of moving the agricultural, agroindustrial, and industrial production forward. In the initial meetings we have held with these sectors, we found positive answers and a clear willingness to participate in this effort even amid the difficult present circumstances. The mixed economy, as a basic proposal of the revolution, is confirmed at this moment of adversity and we have stated this very clearly.

The Reagan administration's arbitrary measures are not placing Nicaragua in a position of closing its doors to international economic and financial relations. Just as President Ortega announced in his inaugural speech on 10 January, it is our decision to give the country a law on foreign investment that with a modern approach and safeguarding the country's sovereign interests, can serve as an economic development tool for Nicaragua. In this regard, once the analyses under way by the National Planning Council conclude, the executive branch will send the bill on foreign investments to the National Assembly.

We also reiterate that Nicaragua will continue to meet all of its financial obligations, including all of those duly renegotiated with international private banks. In a similar manner, we will continue to demand our inalienable right to unrestricted access to multilateral credit sources. Therefore, we hope that the IDB leadership will review, as soon as possible, the request for the overall agricultural credit which has already met all the approval requirements.

When President Ortega officially announced his trip to the Soviet Union and the other socialist community countries, the U.S. Government included this tour among the pretexts that served to justify its economic embargo against Nicaragua. There were some excessively pious voices in the United States that, dazed by the historical or hysterical fear of our true independence, accused us of being too rash and even irresponsible, as if a true sovereignty had to suffer self-restrictions or self-censorship or cease to be a sovereignty. This pretext has also been outweighed by a truth that is stronger and more defined than any other. This truth is that Nicaragua, fully exercising its sovereign right which was previously snatched from us, is freely choosing the framework of its international relations.

In Spain, at the end of his round of talks with Prime Minister Felipe Gonzalez, President Ortega gave the correct response to this manipulation, which is full of so much treachery, when he said that Nicaragua is aligned with the poor nations of the world and the nations that are overwhelmed by the international spoliation. Evidently, this is our true alignment.

President Ortega's trip has been a complete political success, considering the receptiveness shown by government leaders as well as demonstrations of popular support expressed publicly. We have seen a willingness to increase economic cooperation and strengthen trade relations by socialist countries as well as the West European countries Ortega has visited so far, Spain and France. However, there are still visits pending to Italy, where the president is today, in addition to Finland and Sweden where he will arrive in the next few days.

Deputy Foreign Minister Victor Hugo Tinoco is in Panama today participating in the Contadora Group meeting. We have sent our serious intentions to strengthen Contadora's peace effort to Panama. We also want to reiterate that our initiatives will never be on the side of those who want to hinder this effort to deter an increase of tension in the region. Our intentions continue to be aimed at the immediate signing of the revised 4 September 1984 Contadora Peace Document and the improvement of control and verification mechanisms contemplated in that document. We also reiterate that we want to return, as soon as possible, to the bilateral negotiations table in Manzanillo which the U.S. Government abandoned without any justification. We are willing to have a direct dialogue between President Ortega and President Reagan. These are intentions of peace and negotiation expressed in a concrete and real way.

Companero president and representatives, I want to end this message by urging the National Assembly to voice, clearly and categorically, its opposition to an escalation in the aggression which is implied in the U.S. economic embargo. I am also asking you to send a unanimous message by this parliament to all the world parliaments demanding firm, solidaristic support for Nicaragua at this hour. This is an hour in which the Nicaraguan people are not alone and in which we have proven to the world the quality of our moral strength, our willingness to resist any pressure, blackmail, threat, or aggression, and our ability to continue overcoming obstacles regardless of how great they are, and thus advance and succeed. A people like ours cannot be defeated. The trials and sacrifices of this hour will serve to forge the days of the future which will be like those desired by General Sandino and Carlos Fonseca; days of independence and justice. Thank you. [applause]

NATIONAL ASSEMBLY DOCUMENT CONDEMNS U.S. EMBARGO

PA141336 Managua Domestic Service in Spanish 1200 GMT 15 May 85

[Text] The National Assembly yesterday issued a document condemning the commercial blockade imposed by the Reagan administration. This document was supported by all the political parties represented in the parliament. All the leaders of the parties opposed to the FSLN in the Assembly agreed that the boycott affects all Nicaraguans and that national unity is necessary to face the aggression.

CPSU'S SOLOMENTSEV PAYS HOMAGE TO MARTI

FL131958 Havana Domestic Service in Spanish 1804 GMT 13 May 85

[Excerpt] The delegation headed by Mikhail Solomentsev, member of the CPSU Politburo, began its activities today by paying homage to Jose Marti.

This morning accompanied by Omar Iser Mojena, member of the Communist Party of Cuba Central Committee, Solomentsev placed a floral wreath at the foot of the monument to our National Hero, in Revolutionary Square, Havana.

ECUADORAN LEON ROLDOS CONTINUES VISIT

FL111422 Havana Domestic Service in Spanish 1000 GMT 11 May 85

[Text] The former vice president of Ecuador, Leon Roldos, is continuing his tour of Cuba. He arrived in Cuba several days ago and is now in Holguin Province. During his stay in Holguin, Roldos will visit sites of economic, historic, and social interest, including the mining town of Moa. The former Ecuadoran vice president was invited to visit Cuba by Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers.

Meets Castro

FL141231 Havana Television Service in Spanish 1100 GMT 17 May 85

[Text] Commander in Chief Fidel Castro Ruz, president of the Council of State and the government has received former Ecuadoran Vice President Leon Roldos, with whom he discussed extensively Latin American problems and aspects of the international economy.

Leon Roldos, who is in Cuba for a few days, visited some industrial development centers. He also visited the World Economic Research Center on the Foreign Debt.

FIDEL CASTRO DECORATES VENEZUELAN INTELLECTUAL

FL132326 Havana Domestic Service in Spanish 2300 GMT 13 May 85

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has presented the Felix Varela Order, First Grade, to the outstanding Venezuelan intellectual Miguel Otero Silva. The ceremony was held this afternoon at headquarters of the House of the Americas, in the capital.

Those attending observed one minute of silence in honor of Ari Gomez, the Venezuelan internationalist who was killed in the fighting in Nicaragua and who had won the House of the Americas 1985 literary prize for documentaries.

Present at the ceremony were Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, and Armando Hart, minister of culture. Nicolas Guillen, national poet and president of National Union of Cuban Writers and Artists, and Mariano Rodriguez, president of the House of the Americas were also present.

URUGUAYAN OFFICIAL DISCUSSES TRADE RELATIONS

FL101200 Havana Domestic Service in Spanish 1000 GMT 10 May 85

[Text] The resumption of Cuba-Uruguay trade relations have been welcomed by all political parties in that South American country. In Washington, Uruguayan Senator Juan Adolfo (Singer) said it is his government's policy to open the doors to trade relations with all countries in the world without ideological restrictions. The Uruguayan legislator added that his country plans to increase trade with Cuba as well as other countries.

The Uruguayan senator is participating in a conference of American political leaders being held in Washington, sponsored by the U.S. Democratic Party.

ILO DIRECTOR COMMENTS ON MEETING WITH CASTRO

FL141432 Havana Domestic Service in Spanish 1000 GMT 14 May 85

[Text] Francis Blanchard, director general of the ILO has expressed his satisfaction with what he observed in Cuba and the good impression he had of President Fidel Castro. Blanchard made those comments upon his arrival in Geneva, where the organization's headquarters are located.

The ILO director general said that, although he spoke briefly with Fidel, he was very impressed by the views of the Cuban revolution leader.

Blanchard announced that a regional labor conference will be held next year in Canada where the foreign debt payment certainly will be discussed.

SPANISH CP'S IGLESIAS ENDS OFFICIAL VISIT

PA131347 Havana International Service in Spanish 0000 GMT 11 May 85

[Text] Gerardo Iglesias, secretary general of the Spanish Communist Party, announced in Havana that he will attend Saturday's massive welcome in Madrid for Nicaraguan President Daniel Ortega Saavedra that will be given by the Spanish people. The Spanish Communist leader, who ended an official visit to Cuba on Friday at the invitation of Fidel Castro, first secretary of the Communist Party of Cuba, labeled the so-called peace plan for Nicaragua proposed by U.S. President Ronald Reagan as crass blackmail. He added that Nicaraguans, led by the FSLN, must decide what is to be done in their fatherland.

Iglesias stressed that Spanish Communists are decidedly in solidarity with the Nicaraguan Government as well as with the fighters in El Salvador, Chile, and other Latin American nations who strive for their genuine independence.

Gerardo Iglesias said that during his Havana meeting with Cuban President Fidel Castro, the two leaders agreed in their analysis of the international situation, especially regarding Central America, the economic crisis, and the foreign debt affecting Latin America and the Third World.

R. CASTRO PRESENTS POSTHUMOUS AWARD

FL141421 Havana Domestic Service in Spanish 1045 GMT 14 May 85

[Text] Army General Raul Castro, Communist Party of Cuba second secretary and first vice president of the Councils of State and Ministers, has presented guerrilla fighter's Tania's parents, (Nadia) and (Erich) Bunke, the Mariana Grajales Order, granted posthumously to the heroic internationalist combatant.

Vilma Espin, alternate Politburo member and president of the Federation of Cuban Women, evoked with emotion Mariana Grajales' qualities and Tamara Bunke's personality, who made her dreams come true in the Bolivian jungle, where she died fighting in the glorious guerrilla army headed by Che.

Raul gave the medal to (Nadia) and (Erich), who expressed their gratitude and their wish to leave the medal in Cuba. For that reason, they will donate it to the Museum of the Revolution.

CARICOM FOREIGN MINISTERS ISSUE COMMUNIQUE

FL141526 Bridgetown CANA in English 1458 GMT 14 May 85

[Text] Basseterre, St Kitts, May 14, CANA -- Following is the text of a communique issued at the end of the annual meeting of Caribbean Community (Caricom) foreign ministers here.

The eleventh meeting of the Standing Committee of Ministers Responsible for Foreign Affairs (SCMFA) of the Caribbean Community was held in Basseterre, Saint Christopher and Nevis from 8-11 May 1985.

[No number as received] Of the twelve states which are members of the standing committee, eleven were represented at the meeting and the heads of their delegations were Hon Hugh Marshall, minister within the Ministry of Foreign Affairs, Economic Development, Tourism and Energy, Antigua and Barbuda; Hon Clement Maynard, minister of foreign affairs and tourism, the Bahamas; Hon Louis Tull, minister of foreign affairs, Barbados; Hon Dean Barrow, minister of foreign affairs and economic development, Belize; Hon Ben Jones, minister of external affairs, Grenada; Cde Rashleigh Jackson, minister of foreign affairs, Guyana; Rt Hon Hugh L. Shearer, deputy prime minister and minister of foreign affairs, Jamaica; Dr the Rt Hon Kennedy Simmonds, prime minister and minister of foreign affairs, Saint Christopher and Nevis; Hon Louis George, minister of state within the office of the prime minister, St Lucia; Mr Cecil John, senior assistant secretary, office of the prime minister and Ministry of Foreign Affairs, St Vincent and the Grenadines; and Hon Errol Mahabir, minister of external affairs, Trinidad and Tobago.

2. In keeping with the organisation and procedural rules of the Standing Committee of Ministers Responsible for Foreign Affairs, this meeting was held to precede the forthcoming meeting of the conference of heads of government.

3. The meeting was opened by the secretary-general of the Caribbean Community, Mr Roderick Rainford; Dr the Rt Hon Kennedy Simmonds gave the welcome address. In his address, the prime minister emphasised that it was essential for it to be recognised that a meeting of foreign ministers of Caricom is an important and relevant forum whose decisions can impact on the daily lives of peoples of the region. It is not enough for our people, the prime minister stressed, to regard diplomacy merely in the abstract, or in a disinterested sense, because diplomatic initiatives are related to the very real development problems affecting small island states.

4. Hon Errol Mahabir, minister of external affairs, Trinidad and Tobago, replied on behalf of the Standing Committee of Ministers Responsible for Foreign Affairs.

5. The opening session was also addressed by the Hon Clement Maynard, minister of foreign affairs and tourism, the Bahamas, the outgoing chairman of the SCMFA.

6. The Rt Hon Kennedy Simmonds was elected the new chairman of the standing committee by acclamation.

7. The meeting of the SCMFA was preceded by the first meeting of the intergovernmental consultative mechanism on apartheid and sport, whose recommendations were subsequently considered by the SCMFA.

Review of international political issues:

8. As is customary, the standing committee reviewed the international situation and focussed attention in particular on a number of issues which were of particular significance to the region.

9. In reaffirming its well-known position on the controversy between Guyana and Venezuela, the standing committee noted with satisfaction that, since its last meeting, there had been an improvement in relations between the two countries. Accordingly, it encouraged continued dialogue and cooperation between the parties in an effort to maintain this new climate.

10. The foreign minister also commended the steps recently taken by the United Nations secretary-general in fulfillment of the mandate entrusted to him, under the Geneva agreement, to choose a means of peaceful settlement of the controversy which had arisen as a result of the Venezuelan contention that the 1899 arbitral award was null and void.

Belize:

11. Ministers reaffirmed their full support for the efforts of the government and people of Belize to consolidate their independence as a Caribbean country in Central America.

12. They noted with concern and regret that the persistent claim by Guatemala to Belizean territory continued to inhibit the political and economic development of Belize and denied Belize access to financial and economic organisations designed for regional development.

13. Ministers took note of the expressed desire of Belize to establish good neighbourly relations with Guatemala on the basis of mutual respect and called on the Government of Guatemala to respond by recognising the irreversible political and legal reality of the sovereignty of Belize within its constitutional and internationally-recognized borders.

Central America:

14. The foreign ministers, in reaffirming their commitment to the Contadora process, emphasised that their stand was based on their adherence to the principles of non-intervention and non-interference in the internal affairs of states and on the peaceful resolution of conflicts.

15. They expressed deep concern over the recent imposition of economic sanctions against Nicaragua, a measure which seems likely to jeopardise the Contadora process. The ministers strongly opposed the imposition of sanctions outside the United Nations framework. They considered that there should be an immediate termination of the sanctions and of any other effort to undermine the Contadora process.

16. They further emphasised the importance of an early return to dialogue between the United States of America and Nicaragua as a means of reaching an accord favourable to normalising their relations, and of enhancing prospects for peace and stability in the region.

The situation in Africa:

17. The ministers expressed their deep concern about the widening problem of hunger and famine in Africa and called for intensified relief efforts by the international community.

18. The foreign ministers reaffirmed their support for the oppressed peoples of South Africa who are now joined in a determined struggle with the Pretoria regime, which is bent on maintaining the abhorrent system of apartheid. They pointed out that recent so-called liberalisation measures by that regime are purely cosmetic in nature and designed to deceive international opinion, while maintaining the system intact.

Namibia:

19. Ministers strongly deplored the announcement by South Africa of its intention to proceed unilaterally with independence for Namibia in flagrant violation of Security Council Resolution 435 and expressed wholehearted support for the declaration and programme of action adopted by the bureau of nonaligned countries at their recent extraordinary meeting in New Delhi. In this regard, ministers attached special significance to the meeting of the Security Council on Namibia to be held in June when Trinidad and Tobago, a Caricom member state, will be president of the council and urged the widest possible participation at high levels.

The Middle East:

20. The ministers reaffirmed the need for a comprehensive settlement of the Middle East question which should include respect for the rights of the Palestinian people including their right to a homeland; the withdrawal of Israel from the occupied Arab territories; and recognition of the right of all states in the area to live in peace within safe, secure, and recognised boundaries.

21. They expressed concern about the intensification of the war between Iran and Iraq and the threat of its escalation. They renewed their call on the parties to cease hostilities immediately and to respond to efforts at mediation.

22. Ministers also noted their concern over the failure of all efforts to bring a lasting solution to the conflict in Lebanon. They reaffirmed the need for respect for the territorial integrity and independence of Lebanon and expressed the hope for the early achievement of peace and stability in that strife-torn country.

International economic relations:

23. The ministers reviewed the international economic situation with particular emphasis on the recent development in the global economic dialogue. They noted the recent conclusion of the third Lome convention between the African, Caribbean and Pacific (ACP) states and the European Economic Community (EEC), a process in which an important role was played by the Deputy Prime Minister of Jamaica the Rt Hon Hugh Shearer. However, the ministers noted that while there had been a number of recent developments which were intended to address structural and development aspects of the global economy, these developments had failed to address significantly the overriding concerns of the developing countries, particularly in the field of money and finance. They expressed the view that there is a need for an international conference on money and finance for development.

External Debt:

24. The ministers voiced their concern over the continuing external debt problem of developing countries and again drew attention to those factors which must be addressed to deal with the problem effectively, namely access to markets, better commodity prices, more rational multi-year rescheduling arrangements and inflows of new financial resources.

Apartheid and sport:

25. The standing committee reiterated its abhorrence and condemnation of the system of apartheid in South Africa and reaffirmed its commitment to pursue the objective of the Gleneagles Agreement of eliminating sporting contact with South Africa. The committee reaffirmed its support of the action taken by cricketing authorities in the Caribbean in imposing a life ban on cricketers who are national of Caricom states and who played cricket in South Africa.

The New Delhi declaration on nuclear disarmament:

26. During their exchange of views on international political developments, the foreign ministers endorsed the New Delhi declaration on nuclear disarmament issued by six world leaders, after their one-day summit in New Delhi on 28 January 1985. In addition to the host prime minister, Mr Rajiv Gandhi of India, the participants in that summit were Dr Raul Alfonsin, president of Argentina, Mr Andreas Papandreu, prime minister of Greece, Mr Miguel de la Madrid, president of Mexico, Mr Olof Palme, prime minister of Sweden and Mr Julius Nyerere, president of Tanzania. The Caricom foreign ministers supported in particular, the call that parallel to a halt in the nuclear arms race, it is urgently necessary to transfer precious resources currently wasted in military expenditure to social and economic development.

United Nations:

27. Ministers reaffirmed their support for the United Nations system and, in the context of the commemoration of the fortieth anniversary of the United Nations, they called on the international community to strengthen their commitment to the multilateral process and, in particular, to make greater use of the United Nations and its specialised agencies to resolve international problems.

Drug Trafficking:

28. The standing committee noted the gravity and urgency of the problems of drug trafficking, drug trans-shipment and drug abuse through and within the region, and urged member states to improve their cooperation and consultation on the subject, particularly between law enforcement and social agencies:

Date and venue of next meeting:

29. The standing committee accepted the offer of Belize to host its next ordinary meeting at a date in May 1986 to be determined through consultations.

DOMINICAPUERTO RICAN GOVERNOR MEETS WITH CHARLES ON AID

FL151416 Bridgetown CANA in English 2354 GMT 14 May 85

[By Peter Richards]

[Text] Roseau, Dominica, May 14, CANA -- Puerto Rico's Governor Hernandez Colon, trying to garner support for his proposal to make 700 million dollars (U.S.) in aid and investments available to his Caribbean neighbours, held talks here today with Dominica Prime Minister Eugenia Charles. Colon told reporters afterward at Melville Hall Airport, 52 miles north of Roseau, that agreement had been reached with three Dominican businesses for ventures that would also involve Puerto Rican investors in twin-plant schemes covering wood, furniture and fruit pulp. The projects would employ 100 people.

I think it can be the beginning of a very beautiful friendship and there can be very productive and meaningful agreements in terms of development for both countries, the Puerto Rican governor said. Miss Charles for her part said that the funds were essential to the island's economic development.

Colon was joined by Miss Charles in Washington last week in an effort to lobby support from Congress for the aid package which the Puerto Rican governor proposed earlier this year. Congress is threatening to plug the tax loophole providing the money, and both Colon and Charles told reporters it was important that Washington review its position. Charles said the money was essential to assist economic development in Dominica. Puerto Rico has offered to extend to the Caribbean the benefits of a tax law which exempts U.S. companies operating there from paying income tax, but forces them to reinvest a percentage of their profits in Puerto Rico. The reinvestment provision is currently under review by the U.S. Treasury and Puerto Rico has offered to extend its application to member states of the Caribbean Basin Initiative (CBI) as part of a drive to retain the legislation.

Governor Colon said Puerto Rico was determined to put the funds from this tax exemption to use in the mutual benefit of his country and the wider Caribbean. He explained that U.S. subsidiaries in Puerto Rico can avoid a 10-percent tax on repatriated profits if they leave the money in local banks, thereby making it available for local investment. We think that these funds existing in our banks today can be put to much better use than in the past, Colon said. His effort, he said, was to preserve this provision in order to make these twin-plant projects possible. We have strong support within the United States and we hope we shall prevail, he added.

Miss Charles said that the U.S. Congress should see the establishment of the fund as correcting a weakness within the American-inspired CBI meant to improve the economic well being of Central American and Caribbean states. If there was one weakness (in the CBI) it is that there is no incentive to businessmen from outside to come in and put in the necessary factories to help us create the jobs.

JAMAICAGOVERNMENT TO CONTINUE PRESENT ECONOMIC POLICIES

FL152142 Bridgetown CANA in English 2122 GMT 15 May 85

[Text] Kingston, Jamaica, May 15, CANA -- The Jamaica Government today underlined its intention to push ahead with its much-criticised economic policies and appealed to the people for support.

In the traditional parliamentary throne speech outlining government's policies for a new fiscal year, Governor General Sir Florizel Glasspole said the country had made gains under the programmes being implemented by the Edward Seaga government. But some of the advances were negated by the continuing international recessions, evident here mainly in the contraction of the vital bauxite-alumina sector. These negative developments in the bauxite-alumina industry have meant that to a significant extent advances in terms of the economic recovery programme have been largely off-set, Glasspole said. This means that government must intensify the strategies it has been successfully pursuing for economic recovery, although circumstances beyond our control render the achievement of our targets increasingly difficult, he added.

Under International Monetary Fund (IMF) adjustment programmes, Seaga has heavily devalued the Jamaica dollar, slashed subsidies and government spending, generally with the effect of quickly pushing up prices. In tandem, he has implemented a tight credit policy to curb imports and deal with balance of payments difficulties, at the same time removing most restrictions on foreign goods, save for recently announced tariffs. The net effect has been a lowering of living standards here and erosion of the popularity of the government, which came to power in 1980 with a massive landslide.

Glasspole conceded that times have been very difficult for those unable to shoulder the increased burdens which we must all share to put our country back on its feet. It is not for the government alone to help those who can least help themselves, he said. It is for all of us a responsibility which we must not forget.

Noting the gains of the economic policies, the governor general said devaluation had made Jamaican products more competitive, stimulated investment, and helped rejuvenate the island's tourist sector. The retrenchment of over 6,000 civil servants last year had provided grist for local critics, but Glasspole said the size of the public sector was a limiting factor in the ability of the government to provide services and [words indistinct] required compensation. The civil service has to be trimmed to an acceptable size, which will streamline its performance and enable more resources to be used to fulfil the requirement for improvements in services, he said. In terms of specific projects, the outline given in the throne speech was largely for the consolidation of programmes already begun.

POLICE DISPERSE PNP DEMONSTRATORS IN KINGSTON

FI152300 Bridgetown CANA in English 2239 GMT 15 May 85

[Text] Kingston, Jamaica, May 15, CANA -- The Jamaica capital, Kingston, was quiet again tonight after a melee this morning when police used tear gas to prevent an illegal demonstration by opposition supporters to protest government's economic policies. About five persons were slightly injured and the glass front door of the Wyndham Hotel in the New Kingston business area smashed in a related incident, witnesses said.

According to officials of the opposition People's National Party (PNP), the incident occurred when police went into the lobby to force out protesters seeking refuge from tear gas. Police have not yet spoken on today's use of the tear gas, and the hotel management declined comment. We have been instructed not to make any statement on the matter, a hotel staffer said.

Police had earlier in the day used tear gas in the Cross Roads area -- the unofficial divide between uptown and downtown Kingston -- to break up a crowd of opposition supporters gathering for a demonstration to coincide with the state opening of a new session of parliament and the reading of the throne speech by the governor general.

Police had originally given permission for opposition supporters to gather two blocks down the road from Parliament Building in Kingston, but Commissioner Herman Ricketts said the party had yesterday informed that they instead wanted to demonstrate in the busy Cross Roads District. He advised against it for security reasons, and warned that no demonstrations would be allowed there nor in the equally busy Halfway Tree area, about a mile to the north.

When PNP leaders and about 200 supporters gathered in a car park of a Cross Roads cinema, they were teargassed after a police warning. The crowds grew after that initial action, and police used more tear gas to break up smaller pockets of protesters. Protestors retreated to the fashionable New Kingston areas and reformed there; police used more tear gas. People ran into the lobby of the Wyndham Hotel for refuge and police came in from the rear to force them out. In the melee, the glass door was broken and some people injured, including by batons and ribble butts, a PNP spokesman said. The police information centre tonight reported that three women were injured, treated at hospital, and discharged. According to police, demonstrators threw stones at them on two occasions today.

Several hundred people had gathered in the Cross Roads and New Kingston areas and, when they became unruly and ignored orders to disperse, tear gas had to be used, police said. They said the commissioner of police had warned against demonstrations in Cross Roads area because intelligence reports had indicated that other elements would attempt to use the gathering to carry out acts of criminality. Police also said that persons had used debris to light fires and block some roads in the city.

Against this background, the commissioner had deployed a strong detachment of police, backed by the military, to ensure that law and order is maintained following today's action.

GASOLINE STATIONS REMAIN CLOSED FOR SECOND DAY

FL151346 Bridgetown CANA in English 1551 GMT 14 May 85

[Text] Kingston, Jamaica, May 14, CANA -- Public transportation was drastically reduced in Kingston today and many workers reportedly stayed at home as petrol stations remained closed for the second day. The Gasolene Retailers Association (JGRA), which ordered the closure, and the Prices Commission are meeting today to negotiate a settlement on the petrol dealers' request for a larger slice of gasolene sales. The government handed the matter to the commission last week after four-and-a-half months of talks between gas station operators and the Mining and Energy Ministry ended in deadlock, triggering the protest action. The situation has been complicated by a decision by petrol tanker drivers to park their trucks, declaring they will return only when they receive from haulage contractors outstanding wage increases awarded by the Industrial Disputes Tribunal (IDT).

The dispute stems from the JGRA's push to get a bigger portion from the sale of each gallon of gasolene, following the 20 per cent price increase last January. The dealers are reportedly seeking an additional J13 cents on the 43.01 cents they gross on a gallon which now costs J10.90. The ministry has offered 3.8 cents.

The JGRA claimed that negotiations were abruptly broken off last week and a meeting cancelled, but the Energy Ministry said the government had decided to hand the determination of profit margins to the petrol trade to the prices commission. The association knew of this decision, it said. The government earns J2.41 dollars from each gallon of gasolene sold at the pump in the form of taxes.

The Industry and Commerce Ministry last night assured a nervous public that any adjustment in margins would not mean higher prices to consumers, but would come from the Energy Stabilization Fund. The last increase triggered sometimes violent demonstrations.

Around 10 cents from each gallon of gasoline is put aside by the government to help as a cushion against oil price movements.

There is concern here that there could be a complete breakdown of public transportation by tomorrow as well as serious disruption of industries which burn oil for fuels if the dispute with the JGRA is not settled and the tanker drivers do not return to work. The transportation problem in rural areas and on other long-haul routes is already said to be serious.

Stations To Reopen

FL151348 Bridgetown CANA in English 2244 GMT 14 May 85

[Text] Kingston, Jamaica, May 14, CANA -- Jamaica's petrol stations were reopening tonight after a two-day shut-down by operators to pressure the government to allow them a larger share of the profits from gasoline sales at the pumps. The Jamaica Gasoline Retailers Association (JGRA) ordered the reopening following talks with the Prices Commission on new margins. However, the matter has not been completely settled. JGRA officials said the commission is to rule Monday on their submissions. At the same time, tanker drivers said that most of them have been paid outstanding wage increases by haulage contractors and have called off a strike. The JGRA is seeking a larger portion of the earnings from gasoline sales following last January's price increase.

GENERATORS TAKEN OUT OF SERVICE DUE TO STRIKE

FL151420 Bridgetown CANA in English 2220 GMT 14 May 85

[Text] Kingston, Jamaica, May 14, CANA -- Jamaica's Lone Electricity Company tonight took two large 92 megawatt generators out of service, as operators at a major power plant went on strike to support action by clerical and maintenance employees demanding better meals allowances. Only one 68 megawatt generator at the affected Hunts Bay plant was in operation, but power company officials said service to consumers had not been affected since operators at another major power plant had decided to stay on the job.

Public Relations Manager of the Company Leslie Bennett, however, described the situation as being very precarious. He warned that load shedding, which would lead to power outages, will have to be introduced if anything goes wrong. Peak nighttime demand for electricity here is 230 megawatts, two megawatts less than in the day. The company has installed capacity of over 400 megawatts.

Operators are represented by the Union of Technical, Administrative and Supervisory Employees (UTASP), and the Hunts Bay members decided to support their head office and colleagues represented by the Bustamante Industrial Trade Union (BITU) and the National Workers Union (NWU). The BITU and NWU employees are dissatisfied with an Industrial Disputes Tribunal (IDT) clarification that its award of a J2-dollar increase on meal allowances was payable only where regular, full-time employees worked three miles from base during the whole of normal lunch time and one hour or more after. The Labour Ministry was attempting to get a work resumption, but employees remained dissatisfied with the interpretation and the company's decision to uphold it. Company Chairman Orville Cox today said that the issue could be challenged in the courts.

BURNHAM CONDEMNS U.S. EMBARGO ON NICARAGUA

FL141540 Bonaire Trans World Radio in English 1130 GMT 14 May 85

[Text] Guyanese President Forbes Burnham blasted the U.S. trade embargo against Nicaragua at a party meeting in Georgetown. He closed the 3-day meeting of his party's general council by saying the United States appears to be intent on removing the elected Sandinist government of Nicaragua and replacing it with the contra rebels. He went on to say that Nicaragua and Guyana have been pressured in similar ways through international financial institutions.

PPP LEADERS' HOMES SEARCHED BY SECURITY FORCES

FL111536 Bridgetown CANA in English 1439 GMT 11 May 85

[Text] Georgetown, Guyana, May 11, CANA -- Guyana's Marxist opposition People's Progressive Party (PPP) says the homes of 18 of its members, including four top brass, were searched by the security forces probing the discovery of a quantity of anti-tank rockets here.

The PPP, led by ex-Guyana Premier Dr Cheddi Jagan, said in its latest newsletter that nine crates containing 80 Brazilian-made rockets mysteriously washed ashore at points spanning the entire Guyana seacoast last month. The bomb-laden crates, found in all three counties -- Berbice, Demerara and Essequibo -- were all recovered by police and military authorities, with only four pieces of rockets missing, the PPP said.

Three persons were held for questioning. Neither the security forces nor the People's National Congress (PNC) Government of President Forbes Burnham advanced any theories on the discovery of the weapons.

The opposition party said that, in the dragnet mounted by the military and police for the rockets, raids were directed against activists of the PPP, whose houses were searched under the National Security Act for arms and ammunition and subversive literature. Four PPP Central Committee members were among those whose homes were searched, the party said. It did not name them.

The floating rockets were first discovered April 10 when schoolboys found two crates. The following day, more crates were fished out of the sea off the Demerara coast, and four days later yet another crate landed on the Essequibo foreshore. The searches apart, the rockets were recovered with the least of fanfare, the PPP said, noting that villagers and fishermen who had come into possession of the devices quite by accident handed them back to the security forces intact. Said the PPP newsletter: In the entire operation, the Guyana Government did not project impressions that the security of the state might be under threat. The security forces gave no clues and left the population to speculate on various theories, including a possible ship wreck, a PNC set-up aimed at diversion and militarisation, or a mercenary gun-running operation running afoul.

GOVERNMENT ANNOUNCES NEW FUEL PRICE INCREASES

FL151342 Bridgetown CANA in English 2155 GMT 14 May 85

[Text] Georgetown, Guyana, May 14, CANA -- The Guyana Government today announced another round of fuel price increases, the sixth in less than 18 months, and the second this year. Regular and super gasoline go up by 16 cents (G) a gallon, while kerosene, a stable fuel in cooking in Guyana, increases by four cents a gallon (one Guy dol: 22 cents U.S.). The cost of diesel, used to power trucks and tractors, also rises four cents a gallon. Sources here said the increases reflect the continuing dismantling of subsidies on fuels.